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**Labour Market Migration in European Football:
Key Issues and Challenges**

**Conference Proceedings from the Feet-Drain Conference
hosted by the Birkbeck Sport Business Centre in May 2008**

**Dr Geoff Walters and Giambattista Rossi (Eds.)
Birkbeck, University of London**

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Author Biographies

Wladimir Andreff, Professor of Economics, University of Paris and Honorary President of the International Association of Sport Economists

Professor Andreff is one of the foremost sport economists in Europe. He has held prestigious positions including the President of the International Association of Sport Economists between 2002 and 2005, and he is currently the President of the French Economic Association. He has published extensively in the economics of sports including 90 articles and five books and is a member of the editorial board of European Sport Management Quarterly, the Journal of Sports Economics, The International Journal of Sport Management and Marketing, and The Journal of Sport Management.

Paul Darby, Senior Lecturer, University of Ulster at Jordanstown

Paul is Senior Lecturer in Sport and Exercise at the University of Ulster. He has published on issues relating to the following; the role of Gaelic games in the lives of the Irish diaspora in North America; African football labour migration to Europe; Africa and the politics of FIFA/world football; football related disasters; sport and the Irish. At present he is working on two projects, one funded by the British Academy on Gaelic games in the United States and the other, supported by a grant from the Economic and Social Research Council (ESRC) on sports labour migration.

Richard Elliott, Senior Lecturer, Southampton Solent University

Richard is Senior Lecturer at Southampton Solent University where he contributes to the internationally recognised Football Studies degree programmes. Richard's research focuses on the area of athletic migration. Specifically, it examines the similarities between highly skilled workers in sport, and other highly skilled professions. Richard is currently working with The Premier League to examine dimensions of foreign player involvement in the Premier Academy League. He also acts as an expert contact for the Football Association.

Luca Ferrari, attorney at law, CBA Studio Legale e Tributario

Luca is a corporate lawyer and a partner of Italian Law Firm CBA where he is head of the Sports and Media Department. As a sports lawyer, Luca deals with regulatory and disciplinary issues, labour and commercial arbitration, player contracts and player transfers. During the decade in which he has gained legal experience in the field of professional football, he has represented clubs, players, coaches and agents in a variety of national and international transactions.

Jean-Marc Guillou, Founder, JMG Academy

Jean-Marc is a former French international, winning 19 caps, including playing in the 1978 World Cup in Argentina. After his playing career ended, Jean-

Marc managed a number of club sides in France and Switzerland. He was responsible for the creation of the Abidjan football school, eventually becoming the manager, technical director and trainer of ASEC Abidjan in the Ivory Coast. Jean-Marc left ASEC to become the Sporting Director at Beveren. Most recently, Jean-Marc has founded the JMG Academies in the Ivory Coast, Madagascar, and Bangkok.

Raffaele Poli, Researcher at the University of Neuchatel, Geography Institute and International Centre for Sport Studies (CIES)

Raffaele is a geographer and sociologist, and has been employed as a scientific collaborator by the CIES since November 2002. He is also a teaching assistant at the Institute of Geography in the University of Neuchâtel. He has published extensively on the football labour market and is one of the editors of the Annual Review of the European Football Players Labour Market published by the CIES.

Filippo Ricci, Spanish correspondent for the Gazzetta dello Sport

Filippo began working as a journalist focusing exclusively on African football. Together with Mark Gleeson and Frank Simon, he is considered one of the foremost experts on African football. Since 2006 he has been working in Madrid as the Spanish correspondent for the Gazzetta dello Sport. His last edited work "Scusate il ritardo" which focused on his experiences of African football was published in English in 2008.

Giambattista Rossi, Birkbeck, University of London

Giambattista has been a PhD student at Birkbeck since 2006. Previously, he studied for a degree in Economics at the Università Cattolica del Sacro Cuore in Milan before completing an MSc in Sport Studies at the University of Stirling, Scotland. His PhD research focuses on the economic value of professional football players determined during transfer or renewal negotiations. The methodology is based on regression analysis of a panel database containing economic and performance data from Italian Serie A football players.

Tommaso Tamburino, Withers LLP

Tommaso graduated in law at the University of Padova in 2006, with a thesis focusing on European Union law. He has since been practicing in international commercial law and community law, with a significant focus on issues in relation to sport law. He currently works for the law firm Withers LLP.

Gordon Taylor, Chief Executive, The Professional Footballers' Association

Gordon began his career as a professional footballer with Bolton Wanderers in the 1960's, playing over 250 games and scoring over 50 goals. He also played for Birmingham City, Blackburn Rovers, Vancouver Whitecaps and

Bury. His involvement with the Professional Footballers' Association began in 1972 when he joined the management committee. In 1978 he was appointed chairman, and after retiring from playing in 1980, he was appointed as Secretary/Chief Executive of the union in 1981. He was appointed President of FIFPro in 1992 and has served as the Chairman of the Football Foundation Community and Education Panel and as a member of the FIFA Football Committee. In 2008 Gordon received an OBE for his services to sport.

Geoff Walters, Lecturer in Management, Birkbeck, University of London

Geoff is a Lecturer in Management at Birkbeck, University of London and a member of the Birkbeck Sport Business Centre. A graduate of Lancaster University and the University of Manchester, he completed a PhD at Birkbeck in 2007 looking at corporate governance in the football industry. He was previously a member of the Football Governance Research Centre and co-author of the annual State of the Game publications. His current research focuses on governance and regulation in sport and corporate social responsibility.

Editorial

Geoff Walters and Giambattista Rossi

Birkbeck, University of London

This collection of articles is the result of a conference on labour market migration held at Birkbeck, University of London in May 2008. The specific focus of the conference was to address relevant issues around the subject of 'feet-drain', a concept that has recently been coined to describe the migration of footballers from underdeveloped nations to developed nations. In particular, the focus of the conference was on understanding different perspectives surrounding the migration of professional footballers, including clubs, players, and youth players from within countries that are net importers of players to countries where players leave to pursue opportunities elsewhere.

The concept of 'feet-drain' is particularly pertinent in regard to the European football industry where labour migration is a key issue. Since the Bosman ruling in 1995, there has been a marked rise in the number of players from outside the EU that have migrated to the top football nations in Western Europe, particularly England, Spain, Italy, Germany and France. In particular, there has been an increase in the number of African and South American players playing in Europe. A number of factors underpin this labour market development. From the perspective of Western European football clubs, it is far less expensive to recruit players from Eastern Europe, Africa and South America compared to more established football nations in Europe. There also exists the possibility of selling a player at a later stage in their career and realising significant capital gains. As a result, in recent years many European football clubs have extended and developed highly intricate networks with which to search for talented players on a global scale. This search has increasingly been focused not only on professional players but also on youth players showing the potential for future development. As such, many professional clubs have developed academies across the globe in the search for future talent.

From the perspective of players in less-developed nations, the prospect of earning significantly higher wages in Western Europe than in their own country is a key pull factor. In addition, poor levels of infrastructure and professionalism as well as issues of corruption in many less-developed nations, encourages players to seek employment in Europe. This has encouraged the development of football academies, particularly in African nations, which can vary in quality and infrastructure.

This collection of papers brings together the work of leading academics that are currently researching the area of labour market migration in sport in addition to practitioner papers written by prominent individuals who deal with the impacts of labour market migration on a day-to-day basis. The first paper is written by Wladimir Andreff, one of the most prominent sports economists in Europe. In the paper, the implementation of a 'Coubertobin tax' is presented as one specific regulatory measure to address the negative effects of muscle drain which can be felt by nations and players alike. Such a tax would involve a 1 per cent levy on the transfer fees and the initial wages in each labour contract signed by players moving to developed host countries from developing countries.

The second paper, written by Raffaele Poli, examines labour market trends since the Bosman ruling in 1995 and shows how there has been an increase in the number of foreign players moving to the English, Italian, German, Spanish and French leagues. The paper also considers the implications of increasing foreign players on national team selection and presents data to suggest that the growth in foreign players has not yet reached a level to prevent local players from playing for the top five clubs in the five major European leagues. This is in contrast to the third paper, which looks at the effect of labour market migration on the English game and argues how the presence of a large number of overseas players has had a negative impact on the development of home-grown players and upon the England team. This paper was originally published by the Professional Footballers' Association as

a report in December 2007 looking at labour market trends in the Premier League and has been reproduced with their kind permission.

The fourth paper offers some insights into Premier League Academies. Richard Elliott draws on interview data to show that the involvement of foreign players in the academy system also reflects the process of 'feet-exchange' whereby the skills and knowledge of the foreign players help to improve the overall standards of performance for indigenous players. Luca Ferrari, Filippo Ricci, Giambattista Rossi and Tommaso Tamburino continue the focus on youth players and look at the transfer of players from Italy to the UK. Their article provides an overview of the youth academy system in Italy and considers how the rules of the Federazione Italiana Gioco Calcio do little to prevent the transfer of youth players from the age of 16 from moving abroad.

The final two papers focus on the role of the youth academy in African football. The first paper is written by Jean-Marc Guillou. He proposes a new transfer system that aims to promote youth player development and encourage football clubs and associations to provide the requisite training. It is suggested that this system would have a positive impact on labour market migration in the football industry. In contrast, the final paper illustrates some of the potential negative impacts of labour market migration through the discussion of four types of football academy that exist in Ghana. This paper is based on preliminary analysis of an ethnographic study undertaken in Ghana by Paul Darby. While African academies, Afro-European academies, and private, charitable or corporate sponsored academies are often well organised and managed, and can contribute to the development of Ghanaian football and the local economy, there are also a large number of non-affiliated, improvised academies which are set up on an ad hoc basis and lack adequate facilities and involve poorly qualified staff, which can lead to the exploitation of youth players.

The Economic Effects of ‘Muscle Drain’ in Sport

Wladimir Andreff, Professor at the University Paris 1 Panthéon Sorbonne, and Honorary President of the International Association of Sport Economists.

Abstract

The basic contention in this paper is that both nations – including national squads – and some players may be losers when muscle drain develops on a global scale. On the other hand, there are major winners from muscle drain - usually European and North American sports clubs and players’ agents levying extremely significant fees on the international transfer of a player or athlete. On top of this, in the muscle drain business, private gains accruing to clubs and agents often prevail over the general interest of international sport federations and the IOC, governments and nations. As a consequence, additional regulation of this business is required to have the losers compensated by the winners of muscle drain, and such requirement goes far beyond the existing FIFA rules. This paper suggests the implementation of the so-called “Coubertobin tax” as an additional form of regulation. However, the “Coubertobin tax” must not be regarded as a panacea. Sport may be better off comparing and possibly combining it with other policy tools to handle the most detrimental effects of muscle drain.

1. Introduction

Why use the term 'muscle drain' instead of 'feet drain' as it is stated in the conference title? Muscle drain is more appropriate for at least three reasons. First, this notion has been used in previous publications (Andreff, 2001 & 2004). Secondly, feet drain seems appropriate when pointing at transfers of football players and all those sportsmen and women whose talent is exhibited through using their feet. It would hardly pertain to Formula 1 drivers, sailors, horse riders, and dart or chess players and so on. Finally, the brain is a muscle as well. In international migration theory, there are a number of references to brain drain, and its determinants, that could be mobilised for an analysis of international mobility on the global labour market for sporting talent.

The basic contention in this paper is that both nations – including national squads – and some players may be losers when muscle drain develops on a global scale. On the other hand, there are major winners from muscle drain - usually European and North American sports clubs and players' agents levying extremely significant fees on the international transfer of a player or athlete. On top of this, in the muscle drain business, private gains accruing to clubs and agents often prevail over the general interest of international sport federations and the IOC, governments and nations. As a consequence, additional regulation of this business is required to have the losers compensated by winners of muscle drain, and such the requirement goes far beyond the existing FIFA rules that are currently enforced in the case of football player transfers. Our own recommendation, which is described below, is a so-called "Coubertobin tax". It must not be regarded as a panacea but sport may be better off comparing and possibly combining it with other policy tools to handle the most detrimental effects of muscle drain.

2. Muscle drain: some empirical evidence

The first significant international player transfers can be traced back to the 1950s when, for instance in football, a number of foreign superstar players

moved to Real Madrid such as Kopa, Di Stefano, and Puskas. In the same decade, the outflow of baseball players from the Dominican Republic towards North American baseball leagues started to become increasingly significant. However, it is the globalisation of the labour market for talents which has really boosted international muscle migration. A basic trigger for such globalisation was the Bosman case (1995) in football. A similar jurisprudence was extended to different sports and citizens of Central Eastern European and CIS countries by the Malaja, Kolpak and Simutenkov cases (Andreff, 2006a). Then, in 2000, a Cotonou agreement signed by the European Union and 77 African, Caribbean and Pacific countries allowed athlete transfers from the latter area under the qualification of “assimilated Europeans” (Chaix, 2004), which means that they were considered under the same conditions as those players who could claim the benefits from the Bosman, Malaja, Kolpak and Simutenkov jurisprudences. The outcome is a global labour market for player talents.

Witnessing the main tendencies of muscle drain since 1995, three typical flows of international player (athlete) mobility emerge. The first one may be coined a North-North migration, that is players moving across Western European (namely within the EU), North American and Japanese professional leagues and championships. A second flow encompasses those athletes moving from developing countries to developed market economies in North America, Europe and Japan, *i.e.* a South-North migration. A certain level of these transfers relate to the international transfer of teenage players.

2.1. North-North international mobility

Following the Bosman case in 1995 the international mobility of football players has increased across European leagues. The percentage of foreign players in European football leagues is on average nearly twice as high in 2006 compared with 1996. In particular, an increasing percentage shows up in the five major European football leagues in Table 1. According to data collected by Loïc, Ravenel and Poli regarding the five major European football leagues, 38.7% of all players involved in 2006 were foreign; that is 277

players of which 50.2% had migrated from other European countries (82 players moving out from France, 41 from the Netherlands, 38 from Portugal, 34 from Denmark, etc.). This is what is basically meant by a North-North muscle drain in European football. The English Premier League is the most internationalised labour market in European football, a fact that triggered the writing of the *Meltdown Report* in December 2007 after the English national squad had not been able to qualify for the Euro 2008 final stage (Professional Footballers Association, 2007). During the 2007-08 football season only 196 players in the Premier League were *not* foreign while foreigners originated from 66 different countries. This is to be compared with only 23 foreigners playing in the Premier League when it was created (1992).

Table 1: Share of foreign players in professional football, pre- and post-Bosman (%)

1st division	1995	1996	1999	2005	2006
championship					
England	34	34	37	56	55
France	18	18	22	36	36
Germany	19	27	39	50	41
Italy	14	17	33	31	31
Spain	20	29	40	28	32

More generally, in European football, the average number of foreign players per team has increased from 4.8 to 9.8 between 1995 and 2006. For instance, Arsenal played the Champions League final 2005 with only two British players on the pitch and today there are few English players in the team. The internationalisation of European professional football teams appears to be widespread across the best Champions League participants (Chelsea, Manchester United, Barcelona, Real Madrid, etc.) which can now be depicted as multinational companies (Andreff, 2008).

The other side of the coin is the selection of players enrolled abroad in an increasing number of national squads. During the football World Cup in 2006 the overall number of players selected in national squads was 736 out of which 392 (53%) were playing abroad. The extreme case was the Ivory Coast (Côte d'Ivoire) team where all the players were registered in foreign leagues and clubs. Even national squads of developed countries are affected by labour market globalisation. The 2006 French football squad encompassed 13 players registered abroad. The only dividing line among European countries, with regards to North-North muscle drain is that some countries are net importers of foreign players (England, Spain, Germany) whereas some others are net exporters (France, Belgium, Portugal, Denmark).

2.2. South-North international mobility

South-North athlete mobility is a crucial facet of muscle drain – even more than North-North player transfers. Nearly half of foreign players operating in the five major European football leagues originate from developing countries. The percentage is even higher if we look at second rank leagues like Belgium or Portugal and second and third division clubs of the big five European football countries. For example, in the French professional football league (Ligue du Football Professionnel), 50% of foreign players are from African countries.

Empirical evidence shows that muscle drain is a net South to North flow, *i.e.* the South is net exporter and the North is net importer. France is a typical case in point: 13 out of 45 foreign players who entered the French *Ligue 1* in 2007-2008 were from developing countries while 3 out of 54 players who moved abroad have left for a developing country. The balance is a net import of 10 players from developing countries. Seen from the South, a similar orientation is witnessed. From 1989 to 1997, over 2,000 Brazilian players migrated to European football clubs, and there were still 654 that moved in 2002, increasing to 857 in 2004 (Table 2). Their first destination is Portugal, then other European countries. Hundreds of African and other Latin American football players are transferred to European clubs every year.

Table 2: Transfers of Brazilian players abroad

	2002		2003		2004	
Total	654		787		857	
Moving to:	Nb	%	Nb	%	Nb	%
Europe	365	55.8	454	57.7	435	50.8
Portugal						
(1st destination)	141	21.6	141	17.9	132	15.4
Asia	94	14.4	128	16.3	169	19.7
South America	80	12.2	71	9.0	95	11.1
Africa	53	8.1	65	8.3	79	9.2
North-Central America	60	9.2	67	8.5	68	7.9
Oceania	2	0.3	2	0.3	11	1.3

The same South-North muscle drain is observed from developing countries to North America even though we do not focus so much on such empirical facts in Europe. Just to mention a few of them, 1,300 players in Major League Baseball are citizens from the Dominican Republic; a number of African and Latin American players operate in the National Basketball Association; and Czech and Russian superstar players are often hired by National Hockey League teams.

Since the late 1980s, post-communist transition economies from Central Eastern Europe and former Soviet Union have become significant athlete net exporters so that they can compare – and indeed compete – with developing countries in the global labour market for sporting talents. For example, from 1990 to 1997, over 600 professional football players, 520 ice hockey players, 300 handball and volleyball players, 100 ice skaters and 20 coaches moved abroad from the former USSR. With economic recovery in Russia, nowadays a reverse flow has emerged of importing foreign players in the best

performing Russian clubs, like the 2008 UEFA Cup winner, Zenith St. Petersburg.

There is another side of the coin: national squads of developing (and transition) countries now comprise many players whose club affiliations are outside their home domestic league. This is exhibited in Table 3 for the five African squads that qualified for the 2002 football World Cup; overall only 21% of their players were affiliated to their home domestic league. The same observation can be made at the football African Cup of Nations, one of three major football tournaments held by the Confederation of African Football.

Table 3: Geographic distribution of domestic team affiliation, African 2002 World Cup players

Domestic team affiliation	Cameroon	Nigeria	Senegal	S. Africa	Tunisia	Total
Home country	-	2	1	7	14	24
Africa	-	-	1	-	-	1
England	4	4	-	3	-	11
France	7	3	20	-	2	32
Germany	1	-	-	2	1	4
Italy	3	-	-	1	3	7
Spain	4	1	-	-	-	5
Other European	3	11	1	10	3	28
Rest of World	1	2	-	-	-	3
Total	23	23	23	23	23	115

Source: Gerrard (2002).

2.3. International teenage player transfers

International teenage player transfers is the most controversial aspect of the muscle drain business, and has been outlawed by FIFA rules adopted in 2001 that forbid transferring from abroad football players below the age of eighteen.

Indeed, such transfers emerged in the late 1980s, but importing teenage players from developing countries was boosted by liberalisation and the resulting globalisation of the football labour market after 1995. Many clubs increasingly looked for a substitute to more mobile European superstar players by recruiting younger and cheaper talents from the Third World.

During the 1990s, 4,809 foreign players, aged from six to sixteen, originating from Latin American and African countries were found in Italian football clubs. In the Netherlands, 33 football clubs have been sued by the immigration office for illicit importation of Latin American and African players. Belgian football clubs were – and still are – utilised as “nursery hubs” for training African players before their transfer to major European leagues. In 2000, 15 young African players lodged a complaint in the Belgian court against professional clubs and players’ agents, complaining “trade and trafficking of human beings” - a case that they eventually won (Tshimanga Bakadiababu, 2001).

Often spotted by players’ agents at the African Cup of Nations – which is nicknamed the “cattle fair” - teenage players are invited for a trial in European clubs, and recruited when the trial is successful. When a trial is unsuccessful, they are often abandoned by both clubs and players’ agents without a labour contract and a return airplane ticket to their home country. Thus they are left *de facto* in a position as illegal migrant workers and, sometimes, are targeted by the police. Some cases caused so much outrage in France that the French Minister for Sports, Ms. Buffet, commissioned a report (Donzel, 1999) which confirmed the existence of extremely bad practices by clubs and players’ agents as regards to African teenage players. After a decade of such controversial teenage transfers, UEFA reacted in 2001 with new regulations, article 19 of which came up with the statement that “international transfer is allowed only if the player is at least eighteen”. However, three exceptions (unwillingly) left the door open to regulation being circumvented: teenage transfers were allowed when their parents move abroad for reasons that are not linked to football (how do you demonstrate it?); when it is a transfer across EU countries; and when a teenage player is living close to the border of a foreign country.

As a consequence, teenage muscle drain has not been eliminated even though it is less publicised now that it is clearly illegal. One can still find some cases reported by the press. Let us mention one of them: by end of 2002, Isa Mohammed (Nigeria) was transferred to a first division Polish nursery club, and his transfer was supposed to be the rocket pad toward his international career in a major European football league. Unfortunately, he was injured, then skipped away from the team and eventually abandoned by the club.

2.4. The tip of the iceberg: changing citizenship (naturalisation)

A small, though rapidly increasing, aspect in the international migration of sporting talent is where an athlete or player demands that they change his/her citizenship (naturalisation), which is the most visible and tricky part of muscle drain. The number of naturalized citizens in national squads competing at Athens Olympics 2004 was far from negligible (Table 4).

Table 4 - Naturalized athletes at Athens Olympics

National squads of:	Number of naturalized athletes
Germany	12
France	29*
Greece	28
Italy	9
European Union overall	99
Australia	13
Canada	9
United States	13
Israel	16

* including by marriage and collective naturalization.

Source: Andreff (2006a).

Table 5 illustrates that there were 29 naturalized athletes in the French national squad for the Athens Olympics in 2004. 22 of the athletes originated

from developing countries and 6 from transition economies. Poli and Gillon (2006) provide a more comprehensive picture: they found 270 naturalized athletes at the Athens Olympics out of which 41 originated from Africa, 43 from Asia, 57 from America, and 120 from Europe. Those 270 athletes were respectively selected in national squads of European (187), American (35), Asian (25) and African (5) countries, and in Oceania's squads (17). The balance again shows a net outflow of naturalized athletes from developing countries and a net inflow in developed countries.

Table 5 - Naturalized athletes in the French national squad, Athens Olympics

Name	Discipline	Home country	Relative GDP per capita*
Aka Akesse V.	wrestling	Ivory Coast	37 times
Barber E.	long jump	Sierra Leone	16.9
Dehiba H.	1500 m	Morocco	20
Djones L.	400 m, 4x400 m	Ivory Coast	37
Douhou A.	4x400 m	Ivory Coast	37
El Hassan Lassini	marathon	Morocco	20
El Himer D.	marathon	Morocco	20
Esarok L.	1500 m	Morocco	20
Helaouzy A.	4x400 m	Morocco	20
Honyang P.	badminton	China	26
Karabatic N.	handball	Serbia Montenegro	11.4
Karbanenko D.	gymnastics	Russia	8.2
Kiraly H.	fencing (sword)	Hungary	3.4
Mang V.	100 m, 4x100 m	Cameroon	37
Martins M.	5000 m	Cap Verde	17
Matam D.	weight lifting	Cameroon	37
Maury M.	5000 m	Kenya	69
N'Dicka S.	weight lifting	Cameroon	37
N'Thépé A.I.	4x400 m	Cameroon	37
Okori R.F.	100 m hurdle	Equatorial Guinea	5.2
Quieter Maraoui R.	marathon	Morocco	20
Ramalanirina N.	100 m hurdle	Madagascar	133

Sghyr S.	10000 m	Morocco	20
Stoyanov S.	badminton	Bulgaria	10.8
Szabo M.	handball	Hungary	3.4
Thebar K.	horse riding	Germany	1.02
Wade H.	4x400 m	Senegal	46
Wright V.	badminton	Bulgaria	10,8
Yemouni M.	1500 m	Morocco	20

* France GDP per capita divided by home country's GDP per capita.

Source: Andreff (2006a).

A forthcoming issue resulting from increasingly numerous naturalisations, which has urgently to be dealt with, is what will be the meaning, status and recognition of national squads in the future. The Qatari strategy of naturalising African and Latin American athletes practically overnight (more exactly within a fortnight deadline) is of particular concern. All the more so since such a strategy spreads throughout Gulf countries. What will be the impact on national squads if this strategy is adopted by countries throughout the world?

3. The economic determinants of muscle drain

Contrary to brain drain, muscle drain is a topic in which there is little coverage within economics literature. One reason for such a position is that some determinants of muscle drain are not economic: some athletes simply have a double citizenship by birth or otherwise, other athletes follow their parents international relocation for non sport motives and then get naturalized, while some look for the opportunity of being selected in a (weaker) national squad of a foreign country and so on. As an economist, I would not stick to these drivers of muscle drain which are athlete-specific. However, in the past decades, economic determinants have increasingly prevailed.

3.1. The determinants of North-North muscle drain

When it comes to North-North muscle drain, a major determinant is wage differentials across different sports and different developed market economies. If one compares average monthly wages in different sports in a

same country, money distribution appears to be very much uneven. In 2007, the average individual wage was €44,000 per month in *Ligue 1* of French football, €11,000 in *Ligue 2*, €12,500 in the cycling Pro Tour, €7,000 in basketball A (1st division), €6,500 in rugby Top 14, and €1,500 in athletics *Ligue Pro* (about 30 times less than in *Ligue 1*). It is clear that the French labour market for sporting talent is unevenly attractive to muscle drain depending on the sporting discipline and compared with other potential importing countries where wage distribution by sport discipline is probably different (though we do not know any study comparing relative wages between sports on an international scale). Available data provides an insight of the wage differentials that exist within the football industry across developed market economies. For instance, the average monthly wage in the English Premier League was €145,000 in 2007 (three times higher than in French league) and €45,500 in the Championship (four times higher than in the French second division). This obviously explains why so many French football players move to English clubs and so few (if any) English players are hired by French clubs.

A comprehensive explanation of wage differentials between English and French football leagues would lead us into economic theory of professional sports leagues (Andreff, 2009) and variants of league regulation in European football (Andreff & Bourg, 2006), which is beyond the limits of this paper. In a nutshell, wage differentials result from differences in club revenues that are dependent upon a number of factors including club attractiveness and access to gate receipts, sponsorship money, TV rights revenues, merchandising, stadium naming rights and club ownership. In this respect, English football clubs' attractiveness is stronger than French clubs. Chelsea could afford a €190 million payroll in 2007-08, which equates to 70% of the overall payroll for the whole French *Ligue 1* (€268 million). Seen from transferred player revenues, wage differentials trigger the decision to move from French to English clubs. Moving from Olympique Lyonnais to Chelsea, Malouda increased his annual wage by 52%; Faubert by 97% from Bordeaux to West Ham; Kaboul by 214% from Auxerre to Tottenham; Abidal by 54% from

Olympique Lyonnais to Barcelona; Mavuba by 122% from Bordeaux to Villareal; and Ribéry by 94% from Olympique de Marseille to Bayern Munich.

A secondary determinant is league regulation and its impact on a more or less balanced contest; the so-called issue of competitive balance. The more unbalanced a championship, the more a player move to a top club of this unbalanced league will translate into a substantial wage increase. French players often migrate from the more balanced French *Ligue 1* to the less balanced Italian *Lega Calcio*, Spanish *Liga de Futbol* and English Premier League in view of significant wage gains. A more unbalanced domestic championship increases the probability that the top clubs will qualify for (or even win) the Champions League and results in increased revenue expectations for players (including bonuses, sponsorship contracts, etc.). Playing in a successful club such as a Champions League winner, finalist or semi-finalist will increase the value of a player human capital (*i.e.* observed talent) which could materialize in a more profitable future international transfer.

A third determinant may be the overall level of economic regulation in a player's home country as compared to the level of regulation in a potential host country. For example, a heavier French taxation on high individual revenues is assumed to be a push factor to move abroad which may affect a number of professions, namely professional sportsmen and women. Of course, such a nation-wide determinant would be affected by the current financial crisis and recession in different ways in North American and European countries but probably in deepening the gap between countries that would suffer more and those suffering less from the crisis.

3.2 The determinants of South-North muscle drain

The wage gap is obviously the most effective determinant. In the first division of the Brazilian football in 2007, the average wage was €12,000 while in African leagues it was below €2,000 in different countries, seldom over €5,000 anywhere in Africa. English and French football wages are extremely

appealing, even if paid below the average, to any Latin American or African player.

A second determinant is economic underdevelopment of the Third World, and to some extent transition countries (Andreff, 2001). Developing countries are usually plagued by a shortage of sport teachers and coaches, low domestic sports financing, limited sport facilities and equipment, and fewer world-class sport performances than developed countries, illustrated through fewer Olympic medals. For example, the number of medals is markedly determined by GDP per capita and population of participating countries (Andreff *et al.*, 2008). These countries do not have the capability to host more than a few mega sport events if any, and they often suffer from widespread corruption in sport, embezzlements and wage arrears in professional clubs. Therefore, for an athlete, moving to the North means that he/she will find better training conditions, better technologies in sport equipment and medical care, better expectations to win at world level and more competitive athletes to compete with. In addition, he/she will often have access to a better standard of living and purchasing power in developed market economies.

The same determinants obviously apply to teenage muscle drain. An additional one is the “dream of a personal achievement as a future superstar player” in the North with all associated benefits, a dream continuously fuelled by fallacious prospects of unscrupulous players’ agents.

4. The effects on a host country’s sports economy

There are a number of effects of muscle drain on a host country. For players, when a transfer is successful, a major effect is higher wages and revenues and consequently a better standard of living. When unsuccessful, the player is often left aside by the host club or resold on the labour market or simply abandoned in the case of teenagers. If a trial is unsuccessful, a player has to look to find another club, usually in a lower division, or find a way to come back home.

For host clubs, there are at least four effects:

- They become multinational companies sampling together players and coaches from different countries, just like they attempt to attract fans, TV viewers, sponsors and media from various countries
- They offer sport shows and sport events of a better quality due to their recruitment of good players/athletes from abroad and they increase the probability to achieve sporting success; consequently, they attract more money from fans, sponsors and TV channels
- Since they earn more money, host clubs are more capable of recruiting the best international superstars or, alternatively, a larger number of less talented players, which can prolong their capacity to win, to earn more money and so on, in a sort of winners' "virtuous circle"
- In some cases, host clubs finance nursery clubs or networks in developing countries in order to supply a stable "inflow of cheap muscles" in future years

As regards professional sports leagues, the impact depends on whether the host country is a net importer of players or not. For instance, despite a significant number of French football players enrolled abroad, French *Ligue 1* had a deficit transfer balance in the early 2000s, which jeopardized the league financial equilibrium, due to even more significant imports of players from European and developing countries.

When it comes to players' agents, the more they transfer players, the bigger their revenues since they levy a percentage on each transfer fee and/or initial wage. With player transfers from developing countries, agents are often dishonest when stating player birth dates in order to either 'rejuvenate' old players or give the appearance that a minor player is older than eighteen. This fake business is often run by unregistered players' agents unsupervised by FIFA – therefore outlaw agents (nearly 80% of agents in operation with the French football league) - and hence there is a high risk of fuelling again and again the bung culture of bribes, embezzlements and so on, pointed at by the

report by Lord Stevens in 2006. Sometimes, a conflict of interest emerges when there are tight links between host club managers and players' agents.

Regarding the economic impact of muscle drain on a host country's economy overall, an obvious gain exists in having higher quality domestic sport contests without having financed the cost for education and training foreign players/athletes involved in domestic championships. With superstar foreign players, host countries' clubs and teams may enjoy winning prestigious (and profitable) international contests like the Champions League in European football. However, a possible "windfall cost" may occur with the declining performance of a host country's national squad as has been witnessed with the English national team which failed to qualify for the final stage of Euro 2008.

An issue of regulation then comes to the fore, since a host country, in principle, can maintain either rather liberal (some would say lax) rules about education and training of domestic players like in England with the aforementioned consequence on the national squad or can more tightly regulate professional sports businesses like in France. Each French football *Ligue 1* club is required by league rules to finance and run its own educational and training centre. The result has been the good performances of the national squad in the past decade (Gouguet & Primault, 2006) and an outflow of French superstar players abroad whereas domestic clubs under-perform in European contests and have to import foreign players to substitute for the loss of migrant superstars. This is not without its problems in terms of clubs' management and governance (Andreff, 2007).

5. The effects on a home country's sports economy

The issues discussed here are more of concern with developing than developed home countries. The main issue is that the home country and the nursery club are not compensated – or not enough – for the educational and training costs they have occurred before their players have been transferred. As an example, in 2003 the Dominican State Secretary for Sports complained

that his country received no return from the hundreds of migrant players in Major League Baseball, meaning that his ministry had financed the emergence of skills and talents and could not recover even a dollar of this cost.

Absent or limited compensation deepens the gap between the sports economy of a developing home country and a developed host country and undermines the sporting substance of developing countries as well as their expectations and probability to win in international contests or at the Olympics. Developing countries national squads are often weakened by European or American clubs' reluctance to release their Third World players, which erodes the home country's capacity to field its most talented athletes in international contests. In addition, when players are released, the national squad of a home country is less and less national in some sense insofar as most of its players are expatriate workers.

Due to the lack of compensation for transferred players, professional clubs and leagues in developing countries remain poor and are unable to keep their best players or to get a reasonably high price (transfer fee) for them in the global market for talent. All in all, home countries are the losers in the muscle drain business; the issue to be solved is one of losers' (home countries) compensation by the winners that are located in developed host countries. This is an issue that has not yet been effectively addressed since the emergence of sports globalisation.

6. What is to be done?

In the face of similar issues with the excess international mobility of capital in global financial markets, James Tobin, a Nobel Prize winner in Economics suggested to "throw sand in the wheels of international finance" and designed a 1% Tobin tax to put a brake on short term capital movements (Tobin, 1978). Such a tax has not been implemented so far but with the current financial crisis partly resulting from too much free capital movements through banks,

financial markets, fiscal paradises, etc., the Tobin tax may come back to the fore in coming months.

Thus my own recommendation is to design and introduce a so-called “Coubertobin” tax on international player transfers with the four following objectives:

1. The tax is to extensively cover educational and training costs of home countries.
2. The tax is likely to slowdown muscle drain from developing countries to professional player markets in developed countries.
3. The tax should provide a strong disincentive to transferring teenage players or even children.
4. Tax revenues would accrue to a fund for sport development in developing home countries and it could finance sport facilities building and maintenance, training, sports at school and sport for all.

The idea is to levy the Coubertobin tax at a 1% rate on all transfer fees and initial wages agreed on in each labour contract signed by players moving from developing countries with foreign partners to developed host countries (for the technicalities of the tax, see Andreff, 2001 & 2004, and below). Regarding transfers of teenage and very young talents, a graduated surcharge would be added to the 1% tax itself - the younger the player, the higher rate of surcharge.

The tax is obviously not designed to be a panacea. A number of issues would have to be resolved if one wants such a tax to be enforced. Which would be the accurate body to levy the tax and take over tax administration? We suggested elsewhere a World Bank or UN department or an international body specifically created to manage the tax. An international agreement is necessary between host and home countries and sport federations; otherwise the tax will not be implemented on a global scale, the only relevant scale. Political willingness seems to be missing so far in favour of such tax. The current financial crisis with its impact on professional finance and a hardened

budget constraint on wages and transfer fees might well create a window of opportunity for those convinced that the global market for sporting talents must be regulated.

A model of a Coubertobin tax

$$FR = (Pi - r.VI) . T, \text{ if } a > a1 \quad (1)$$

$$FR = (Pi - r.VI) . [T + s1 (a - a1)], \text{ if } a1 < a < a2 \quad (2)$$

$$FR = (Pi - r.VI) . [T + s2 (a - a2)], \text{ if } a2 < a < a3 \quad (3)$$

$$FR = (Pi - r.VI) . (T + s3), \text{ if } a < a3 \quad (4)$$

FR: revenues rose through taxation for home developing countries,
Pi: international transfer price (fee) + initial annual wage of transferred player,
VI: player's value on home country market,
r: exchange rate between domestic currency and the hard currency of host country,
T: Coubertobin tax at a uniform rate of 1% for all transferred players,
s: tax surcharge for players under 18,
a: player's age at the date of transfer,
a1: first age threshold below which a tax surcharge is to be paid,
a2: second age threshold below which a tax surcharge must be deterrent,
a3: third age threshold below which the tax is prohibitive on transfers of extremely young players.

Example: **a1** = 18 years, **a2** = 14 years, and **a3** = 10 years.
 If **a1** < **a** < **a2** , the tax surcharge **s1** = 2% more for each month under the age of 18 at the date of transfer; transferring a player of 16 would cost a 48% surcharge).
 If **a2** < **a** < **a3** , the surcharge **s2** = 10% more for each month below the age of 14 at the date of transfer; transferring a player of 12 would cost a 240% surcharge.
 If **a** < **a3** , the surcharge **s3** = 1000% lump sum tax.

Before concluding a comparison between the suggested tax and other regulatory options is worth briefly considering. There are at least three other options. A first option is the one adopted in the 2001 FIFA rules. First, teenager transfers are prohibited. The problem is that prohibition usually

creates very strong incentives to either find some excuse that triggers an exception status or develop an international black market for teenage players, which does indeed exist. Second, FIFA rules established training cost compensation for players transferred over twenty-three with a 5% solidarity mechanism which distributes compensation on a *pro rata* basis among all nursery clubs involved in a player's training from the age of twelve to twenty-three. In a nutshell, the comparison between FIFA rules and the Coubertobin tax comes out with (details in Andreff, 2001 & 2002, Gerrard, 2002) FIFA rules being more profitable over twenty-three, much less below eighteen; a main limitation of FIFA rules, comparative to the tax, is that they are restricted to football while the Coubertobin tax targets all sports; on the other hand, FIFA rules have been adopted while the tax is still a prospect. In some regards, the FIFA rules represent a step forward in a positive direction, but it is not enough to tackle the less desirable effects of muscle drain.

A second option has been suggested by a French MP, Guy Tessier, which is a 5% tax on all transfer fees whatever the player's home and host countries. Its main objective however is to finance sport facilities and sport practices in "hot suburbs", even in developed countries, rather than to confine itself to regulating international player transfers.

A third option is a comeback to pre-Bosman quotas of domestic players, such as the 6 + 5 rule which would compel any football club to field at least five domestic ('national') players in each match that counts for a contest. This rule is strongly supported by Sepp Blatter, the FIFA president, and more recently he has been joined by the incumbent French State Secretary for Sports, Bernard Laporte. The incumbent UEFA president, Michel Platini, is less of a fan of quotas. Nevertheless, the number of "locally trained" players that must be fielded in UEFA contests has been increased from 4, to 6, and currently stands at 8 players since 2007-08 (but a number of foreign players can be counted as locally trained). In the Italian *Lega Calcio*, the quota is now at least 50% Italian players. A quota of locally trained players is also discussed in the French rugby Top 14 for season 2009-10. The concept of locally trained players is rather blurred and must be further clarified in the near future,

otherwise it could be considered as an attempt of breaching the Bosman jurisprudence. Finally, the Andrew Webster case at the Court of Arbitration for Sport seems to be a recent U-turn compared with the Bosman case since it allows a player – considered as a free agent – who breaches his labour contract before the deadline, to obtain compensation though not higher than cumulative wages until the end of contract. This sounds like the previous transfer fee system which had been abolished by the Bosman case. If player quotas based on citizenship were to be re-introduced, they would come again under the fire of the European Court of Justice with some other prejudiced player like Bosman.

The most urgent regulation of muscle drain is the need for tighter supervision of players' agents. According to FIFA rules anyone who starts up a players' agent business must exhibit a clean police record, must not be an attorney, must pass an interview with his/her domestic football federation and must make a deposit in Swiss francs. A number of agents operate without fulfilling these rules. This regulation should be more tightly supervised, to say the least. Another option would be to forbid affiliated clubs (affiliated to federations) to deal with outlawed player agents and to fine those which do not align to such new rules. Some doubt may be raised about the efficiency of supervision as long as players' agents and host clubs have confusing or merged interests. Creating an international association of players' agents on the model of the Bar (association of barristers) has also been suggested (Tshimanga Bakadiababu, 2001) that would define and supervise honorariums and fees, and rule the whole agents business. Here again, like for the Coubertoin tax, such reform requires political willingness which at present is lacking.

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Labour Market Migration to the Five Major Leagues in European Football: The Impact on National Team Selection

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Abstract

The objective of this article is, firstly, to understand which leagues, clubs and players have taken advantage from the gradual opening of the football labour market in Europe. Drawing on statistical data from the Professional Football Players Observatory, this article shows that the presence of foreign players in the major European leagues has increased remarkably over the last decade. It also shows that the percentage of non-EU players has increased both with respect to the total number of players and relative to the total number of foreign players. The article then considers the implications of increasing foreign players on national team selection. The data shows that, contrary to what is often argued by the European press, this growth has not yet reached a level that would prevent local players from playing for the top clubs. In the case of England, there are 28 full international players that play regularly in all positions for the top five clubs in the five major European leagues (on average 24.1 league games per year). Therefore it can be argued that the 'invasion' of foreign players is not the major reason for the English national team having failed to qualify for the final round of Euro 2008. However, if the European market for football players continues to evolve as in the last decade, this argument could become more prevalent in the future.

1. Introduction

The organisation of the European market for footballers has undergone profound changes since December 1995, when the Court of Justice of the European Community delivered the 'Bosman' judgement, which decreed the free movement of sports within the European Union (EU). Until the beginning of season 1996/1997, European clubs were entitled to use only three foreign players plus, but only in some countries, two foreign footballers classified as 'assimilated', having played for at least five seasons in the country where their clubs played (Dubey, 2000).

This legal change coincided with an increasingly favourable economic environment for the football industry. The budgets of the clubs in the best European leagues were increasing significantly as a result of a growth in revenues obtained from the sale of broadcasting rights for football matches. Born in the 80s, subscription based TV had made football a priority product to attract new customers. The legal and economic changes resulted in clubs' recruiting an increasing number of players from abroad. Foreign players have thus gradually replaced national players in clubs' squads. Foreign players are defined as players that have been trained abroad and have migrated to another country to play professional football (Lanfranchi and Taylor, 2001). The percentage of foreign players amongst 98 clubs in the best five European leagues (Italy, England, Spain, Germany, and France) rose from 20.2% in 1995/1996 to 38.6% ten seasons later.

The strong increase of foreign players' presence in the major European leagues has given rise to many discussions in academia. The internationalisation of the labour market for football players' was analyzed by Bale and Maguire (1994) in light of the concept of globalization, defined as the tendency of the world economy to develop in the sense of growing interdependence among nations and integration of functional production systems on a large scale (Dicken, 2003). Whilst other researchers have shown the permanence of geographical (McGovern, 2002; Poli and Ravenel, 2005) and historical (Taylor, 2007) influences on the international flows of

players, football tends to be regarded as an archetypal example to illustrate different aspects of the globalization process, both in the economic (Bourg and Gouget, 2005) and socio-cultural (Hobsbawn, 2000; Giulianotti and Robertson, 2004; 2007) contexts.

The increase of foreign players in the major European leagues, especially African and Latin American players, is also accompanied by an important debate related to the issue of skills' movement (Meyer, 2004; Cervantes and Goldstein, 2005). The ability to attract the best football talent to Europe has been interpreted by the neo-Marxist authors in the light of the 'muscle drain', 'feet drain' or "brawn drain" concepts. Following world-system (Wallerstein, 2004) and dependence theories (Frank, 1978), authors such as Darby (2004; 2007), Magee and Sugden (2002) and Darby, Akindes and Kirwin (2007) show that the poor countries, i.e. the 'periphery', are subjugated to the interests of rich countries, i.e. the 'centre'. From this perspective, the market for footballers might be considered as the exemplary case of more general inequalities which characterise the functioning of the global economy.

On several occasions FIFA president, Joseph Blatter, referred to 'neo-colonialism' and openly criticised the best European clubs as being guilty of recruiting too many African and South American players. This critique is often associated with the risk that the strong presence of foreign players in clubs would ruin the identification that supporters have with their clubs and, more broadly, with their national identities. The same argument is regularly used and presented in alarmist tones by the European press, especially when the national teams' performances are disappointing. For example, the recent failure by the English national team to qualify for the 2008 European Championship was accompanied by a lively debate on the need to limit the number of foreign players permitted to play for English clubs. In December 2007, the Professional Footballers' Association, the union representing the interests of professional footballers in England, published a report that illustrates the decreasing number of English players in the Premier League (PFA, 2007). Currently, English clubs can recruit and employ an unlimited number of foreigners. To obtain a work permit, non-EU players must have

participated in at least 75% of the games for the national team during the two years preceding the transfer and come from a country amongst the first 70 nations in the FIFA ranking.

The number of foreign players in clubs has been an issue for FIFA and UEFA. Joseph Blatter has expressed his willingness to apply the so-called 6+5 rule, which would consist of obliging clubs to deploy at least six players eligible to play for the national team of the country to which the club belongs. UEFA has introduced a minimum number of locally trained players - home grown players - although a home grown player is not defined on the basis of their nationality, but rather on the fact of having played at least three seasons for the club at which they are employed between the ages of 15 and 21 years.

The limitation on the number of foreign players was implemented in Italy at the expense of non-EU players after the elimination of the national team in the second round of the World Cup 2002 in Japan and South Korea. The defeat was accompanied by controversy on the excessive presence of foreign players in the squads of Italian clubs. The purpose of limiting the entry of non-EU players in Italy was to encourage clubs to develop more local talent eligible for the national team. This logic, however, clashes with the principle of free movement of workers within the EU and with the sporting and economic interests of the richest clubs that can afford to recruit the best talent in the world, regardless of nationality.

The objective of this article is, firstly, to understand which leagues, clubs and players have taken advantage from the gradual opening of the football labour market in Europe. The assumption that the failure of the English national team to qualify for Euro 2008 is attributable to the excessive presence of foreign players in English clubs is considered. The statistical data used has been produced by the Professional Football Players Observatory¹.

¹ The Professional Football Players Observatory was created in 2006 by the International Centre for Sport Studies of University of Neuchâtel and the Centre of Studies and Research on Sport and Observation of the Territories of the University of Franche-Comte. Every year the 'Annual Review of the European Football Players' Labour Market' is published. See for

2. The presence of foreign players according to leagues and clubs' status

Table 1 illustrates that the presence of foreign players has increased in the top five European leagues since 1995-96, the final year before the changes brought in by the Bosman ruling were implemented. However the pace of growth differs according to the league and there are now a greater percentage of foreign players in Germany and England than in France, Spain and Italy.

Table 1: The percentage of foreign players in the major European leagues in 1995/96 and 2005/06²

	<i>England</i>	<i>Germany</i>	<i>France</i>	<i>Spain</i>	<i>Italy</i>	<i>Total</i>
1995/96	31.4%	23.1%	13.7%	20%	13.5%	20.2%
2005/06	55.3%	41%	35.4%	31.8%	30.5%	38.4%

More than half of the squads of clubs in the English Premier League consist of foreign players. Their presence in England is at the highest level since the season before the Bosman ruling demonstrating that English clubs have welcomed the influx of foreign players. In Italy, the application of Law 189 of the 30th July 2002, the so-called 'Bossi-Fini' law, reduced the numbers of foreign players in the league. This law has introduced a general quota of non-EU sportsmen. During the 2005/2006 season, clubs in the Italian Serie A had the lowest percentage of foreign players amongst the major five European leagues. Foreign players in Serie A represented an even smaller proportion of players present compared to 2001/2002 season, when their percentage was

example Poli, R. and Ravenel, L.: Annual Review of the European Football Players' Labour Market, CIES, Neuchâtel, 2007. The data is also partially accessible on the website <http://www.eurofootplayers.org>.

² These five leagues were chosen as the richest clubs in Europe play in them. The clubs of these leagues have generated in 2005/2006 53% of turnover achieved by European football (6.7 billion euros from a total of 12.6) These figures are from the Annual Review of Football Finance, Deloitte, Manchester, 2007. The financial strength of the British, German, Italian, Spanish and French can also be accessed through UEFA rankings, in which these nations occupy the first five positions.

36.6%. Before the 2007/2008 season, the Italian Football Federation indicated that a Serie A club could only register a non-EU or EEA football player from abroad, provided that he replaces another non EU or EEA football player, who has moved abroad or whose contract has expired by 30 June 2007. Only clubs that had been promoted are allowed to recruit new non-EU or EEA football players, provided that the number of these new signed players does not exceed three.

Despite this legislation the percentage of foreign players in the Italian Serie A increased between 2005-06 and 2007-08 (table 2). Table 2 also illustrates that the percentage of foreign players playing in the five major European leagues has also risen. Between 2005-06 and 2007-08 the percentage of foreign players in England, Germany, France, Spain and Italy increased from 38.6% to 42.3%.

Table 2: The Percentage of foreign player in the major European leagues since 2005/06

	<i>England</i>	<i>Germany</i>	<i>France</i>	<i>Spain</i>	<i>Italy</i>	<i>Total</i>
2005/2006	55.3%	41%	35.4%	31.8%	30.5%	38.6%
2006/2007	55.4%	44.8%	32.2%	34.3%	28.9%	38.9%
2007/2008	59.6%	46.4%	33.4%	36.9%	36.4%	42.3%
Total Var.	+4.3%	+5.4%	-2.0%	+5.1%	+5.9%	+3.7%

The French league is the only one where the percentage of foreign players had not increased between 2005-06 and 2007-08. Except for the French case, in all the leagues the football players' labour market has evolved towards increasing internationalisation. However, not all clubs hire foreign players in the same way. Important differences exist not only amongst the leagues but also in relation to the level of clubs' competitive and economic strength. The percentage of foreign players is much stronger in the top European clubs (the five best ranked clubs for each league) than the clubs in the middle of bottom of the league.

Table 3: The percentage of foreign players according to clubs' rank

	<i>Top rank</i>	<i>Middle rank</i>	<i>Bottom rank</i>
2005/06	49%	35.7%	33.1%
2006/07	48.2%	38.3%	30.7%
2007/2008	52.6%	37.1%	42.2%

This data clearly shows that the recruitment of foreign players has been exploited primarily by the top clubs within the leagues. The percentage differences between the top ranked clubs and the middle ranked clubs are generally more pronounced than those between the teams of middle and bottom ranked clubs.

Table 4 illustrates the percentage of foreign players by country in 2005-06. It shows that the percentage difference of foreigners in clubs' squads in relation to the ranking of the club is particularly important in Italy. The best five ranked clubs in the season 2005/2006 employed a percentage of foreign players 2.5 times higher than the middle ranked clubs, and a little less than 2 times the lowest five ranked clubs. The difference is also particularly significant in England and Germany. The club with the highest percentage of foreign players was Arsenal (93.6%). In Italy, Internazionale FC (85.9%) exceeded the other top three Italian teams (AC Milan - 61.1%; Juventus - 58.6%; and AS Roma - 51.1%). At the European level, the only club that did not employ foreign players is Athletic Club Bilbao.

Table 4: The percentage of foreign players according to clubs' rank in 2005/06 by country

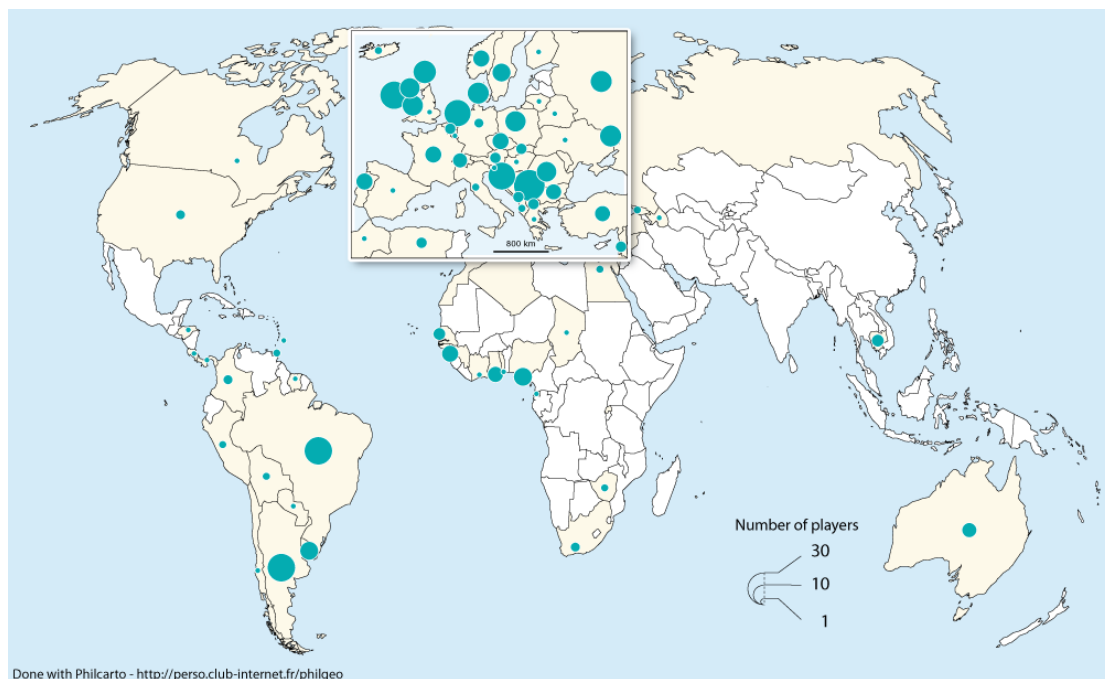
	<i>Top rank</i>	<i>Middle rank</i>	<i>Bottom rank</i>
Italy	52.6%	20.6%	28.1%
England	66.9%	52.6%	47.2%
Germany	49.3%	42.3%	31.7%
France	38.8%	35.4%	29.3%
Spain	38.1%	29.4%	30.1%

3. Differences in the origin of foreign players

If the Bosman ruling focused primarily on EU players, its effects are felt even beyond Europe. Indeed, the recruitment of a large number of Latin American players who have ancestors from EU countries is encouraged³. The following maps illustrate the origin of foreign players in the five major European leagues for 1995/1996 and for 2005/2006.

With regard to the total number of foreign players, which in absolute terms has increased for all major geographical areas, the presence of non-EU players has increased at a greater rate than that of players from EU countries. The main change concerns the increasing percentage of players from Latin American players at the expense of Eastern European ones, particularly those countries that were outside of the Schengen area.

Map 1: Number of foreign players in the five major European leagues according to their national origin (1995/96 season)



³ Several cases of false testimony about the origins of football players came to light in several European countries (Portugal, Italy, Spain and France first).

Map 2: Number of foreign players in the five major European leagues according to their national origin (2005/06 season)

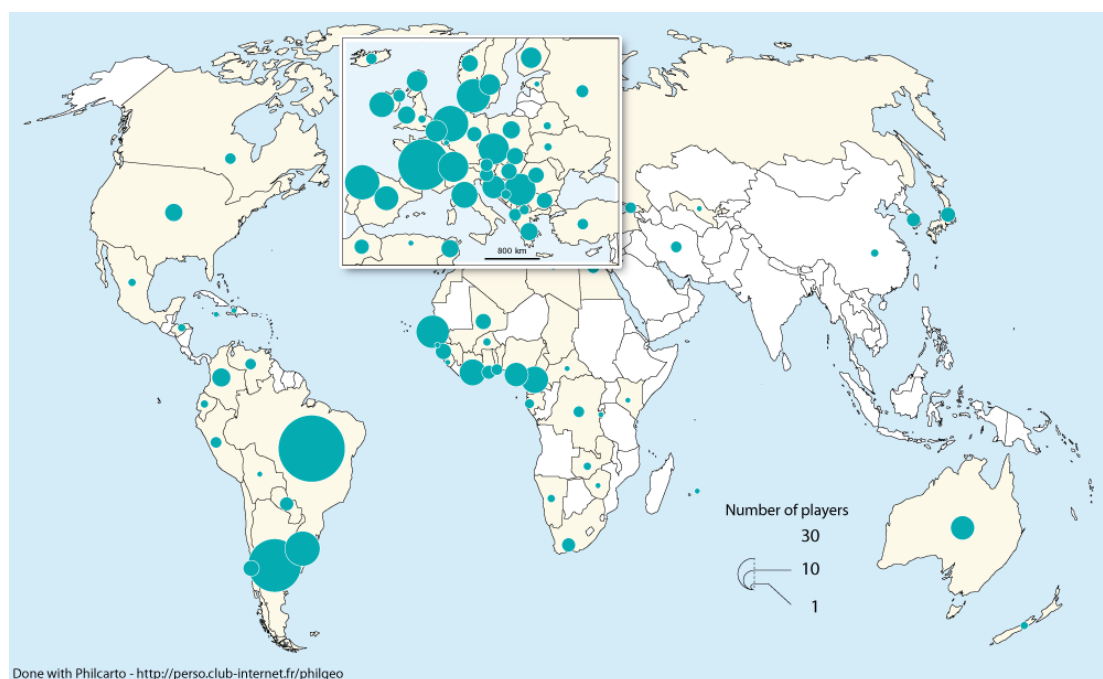


Table 5 illustrates that across the five major leagues in Europe players from Latin America accounted for an additional 12 per cent between 1995/96 and 2005/06 compared to a fall of 14.5 per cent for players from Eastern Europe.

Table 5: Trend in the percentage of foreign players according to their area of origin

	<i>Western Europe</i>	<i>Eastern Europe</i>	<i>Latin America</i>	<i>Africa</i>	<i>Others⁴</i>	<i>Total</i>
<i>1995/96</i>	39.1%	29.4%	16.6%	10.6%	4.3%	100%
<i>2005/06</i>	35.4%	14.9%	28.6%	16.1%	5%	100%
<i>Total Var.</i>	-3.7%	-14.5%	+12%	+5.5%	+0.7%	

The relative percentages of foreign players according to their area of origin vary significantly depending on the league taken into account. As indicated in

⁴ The category brings together players from Asia, North America and Oceania.

the table 6, German clubs recruit more in Europe, particularly in bordering countries in Western (Switzerland, Denmark, and Netherlands) and in Eastern Europe (Czech Republic, Poland). Italian and Spanish clubs recruit mainly Latin American players, while French clubs sign a high percentage of players from African football, particularly from the former colonies. Finally, English clubs focus on Western Europe countries, especially from the United Kingdom, Scandinavia, Ireland and France.

Table 6: The percentage of foreign players in each of the top five leagues according to their origin for the 2005/06 season

	<i>Latin America</i>	<i>Africa</i>	<i>Eastern Europe</i>	<i>Western Europe</i>	<i>Others</i>	<i>Total</i>
<i>Germany</i>	18.5%	7.5%	33.1%	34.9%	6%	100%
<i>Italy</i>	50.8%	11.5%	14.3%	20.2%	3.1%	100%
<i>Spain</i>	62.3%	3.2%	7%	25.5%	2%	100%
<i>France</i>	23.3%	48.3%	11%	15.7%	1.6%	100%
<i>England</i>	5.8%	10.7%	10.2%	63.6%	9.6%	100%
<i>Total</i>	28.5%	16.1%	14.9%	35.4%	5.1%	100%

The increase of foreign players' recruitment has so far not been accompanied by a neutralisation of transfer networks. On the contrary, the latter continue to respond to specific geographical logics (Poli and Ravenel, 2005). This result tends to indicate that in order to analyse the extent and the direction of players' international transfer's flows it is necessary to take into account not only economic criteria as the different factor endowments and comparative advantages linked to them, but also social factors such as relational capital of persons involved buying players (Granovetter, 1985). In this regard, Maguire and Pearton (2000: 187-188) have rightly stated that:

“it is evident that it would be impossible to explain elite talent migration in football by recourse solely to an economic theory. Although economics play a crucial part in determining the patterns of football migration, they are by no means the only factor involved.

Rather, sets of interdependencies contour and shape the global sports migration”

The main trends in the European labour market players suggest that the opportunities offered by the Bosman ruling have been exploited more by English clubs, the richest clubs in general and Latin American players. The aim is now to understand how these changes in the major European leagues have implications on national team selection, whether they have resulted in any difficulties, and more specifically, to consider whether they explain the recent failure of English national team to qualify for Euro 2008.

4. Labour Market Migration and the Impact on National Teams

To better understand whether the increased foreign presence may be regarded as a danger to the competitiveness of national team selection, it is interesting to look at the number and nationality of the international players playing in the five major leagues. The concept of an international player refers to players who have already played at least one game for the senior national team. So, for instance, youth national team selections are excluded. The season 2006/07 was chosen as the season of reference.

Table 7 illustrates that the five major European leagues continue to have a large number of international players, particularly from Italy, Spain, England, France and Germany. England has 67 players with international experience playing in the five major European leagues compared to 60 German internationals and 59 French internationals. Italy, winners of the World Cup in 2006, has the highest number of international players across the five major European leagues with a total of 92. Table 7 also shows that Brazil and Argentina have a high number of international players in the five major European leagues, with 61 and 50 respectively.

To better understand whether the increase of foreign players in the five major European leagues is detrimental to the national team selections it is also

useful to refer to the number of international players by nationality playing for the best five ranked clubs of the five leagues.

Table 7: Countries with the most international players in the five major European leagues for the 2006/07 season

Country	International players playing in the five major European leagues
Italy	92
Spain	74
England	67
Brazil	61
Germany	60
France	59
Argentina	50
Senegal	30
Netherlands	27
Uruguay/Cameroon	26

Table 8 shows the percentage of international players in the top five clubs in the five major European leagues out of the total number of international players. It illustrates that Brazil and Italy are the countries with the highest number of international players in the top five clubs. 63.9% of Brazilian international players played for the top five clubs in the leagues at the end of the season 2006/07. This percentage is over 50% for France and Germany. In comparison, it is around 40% for Italy and England, where the percentage of foreign players that play for the top clubs is particularly relevant.

In total, in 2006/07 there were 28 English international footballers that played for the top five clubs in the major five leagues in European football. This figure appears to be high enough to form a competitive national squad. However, although there may be a significant number of English players at the best clubs in Europe, one concern relates to the number of games that they play.

Table 8: Countries with the highest number of international players playing for the best five ranked clubs in the five major leagues in Europe for the 2006/07 season

Country	<i>International players playing for the top five teams in the major European leagues</i>	<i>Percentage of total international players in the top five leagues</i>
Brazil	39	63.9%
Italy	38	41.3%
France	32	54.2%
Germany	32	53.3%
Spain	32	43.2%
England	28	41.8%
Argentina	21	42%
Netherlands	12	44.4%
Sweden	11	68.8%
Portugal	11	45.8%

Table 9 illustrates the average number of league matches played by the international players. It shows that the English international players employed by the top clubs in Europe play on average a little less than Spanish, French or Italian players, although the differences are unlikely to lead to the conclusion that their competitiveness is affected. By way of comparison, although the German full international players at the top clubs in Europe played less than the English counterparts, this did not prevent Germany from qualifying for the final phase of Euro 2008. The data for all international players helps to support our analysis.

A final important element to consider is the positions of the footballers that play for the top five teams in the five major European leagues to assess whether each nation has a sufficient number of footballers according to position. Table 10 illustrates that the number of international players playing for the top five ranked clubs in their leagues with respect to the position and

nationality of the players. The data shows that all positions are sufficiently covered for all the nations of the best leagues in Europe, including England. The only possible problem for England may lie for the goalkeeper's role. However, France also had only one international goalkeeper in the top clubs, which did not prevent their qualification for Euro 2008.

Table 9: Average number of league matches played by international players by nationality for season 2006/07

	<i>Average number of league matches played by international players at the top five clubs in the five major leagues</i>	<i>Average number of league matches played by all international players</i>
<i>Germany</i>	22.4	21.6
<i>Italy</i>	24.4	24.8
<i>Spain</i>	26.8	24.8
<i>France</i>	25.0	25.5
<i>England</i>	24.1	22.8
<i>Brazil</i>	23.8	22.7
<i>Argentina</i>	22.2%	23.7

Table 10: The number of international players playing for the top five ranked clubs in the five major European leagues with respect to players' position and nationality for season 2006/07

	<i>Goalkeeper</i>	<i>Defender</i>	<i>Midfielder</i>	<i>Forward</i>	<i>Total</i>
<i>Germany</i>	4	9	13	6	32
<i>Italy</i>	2	15	14	7	38
<i>Spain</i>	2	10	14	6	32
<i>France</i>	1	12	12	7	32
<i>England</i>	1	9	12	6	28
<i>Brazil</i>	2	18	13	6	39
<i>Argentina</i>	0	9	8	4	21

5. Conclusion

The presence of foreign players in the major European leagues has increased remarkably over the last decade. The percentage of non-EU players has increased both with respect to the total number of players and relative to the total number of foreign players. Contrary to what is often argued by the European press, this growth has not yet reached a level that would prevent local players from playing for the top clubs. This is also true for England, whose clubs have been hiring many foreign players. However, the data shows that England has 28 full international players that play regularly in all positions for the top five clubs in the five major European leagues (on average 24.1 league games per year). Therefore it can be argued that the 'invasion' of foreign players is not the major reason for the English national team having failed to qualify for the final round of Euro 2008. However, if the European market for football players continues to evolve as in the last decade, this argument could become more prevalent in the future.

The solution of limiting the employment of foreign players might not be the right answer, unless it is accompanied by decisions to encourage the training and development of local players. The example of France, in which the presence of foreign players is the lowest and the number of local players playing abroad is the highest, shows that with a proper plan you can develop top players within Europe and not just in poor continents such Africa and South America. The comparison between England and France show that the presence of foreign players is not a mere consequence linked with economic reasons (the lower training costs in other continents) or the stock of human capital (the largest availability of talented young players willing to play football), but it is the result of different youth players training and development policies adopted in the last decades. The obligation of having a proper training centre in every professional French club dates back to 1973. Although this requirement was repealed in 2003 by the initiative of the top clubs (Lyon, Marseille, Monaco, Bordeaux, etc), in the current economic context, most of

the French clubs have an interest to continue to train and develop young players in order to continue to benefit from the competitive advantage gained over the last decade.

The Swiss case is also very interesting as it shows how the policies adopted by the football federation have improved the quality of training and developing local players. Since the late 90s, the Swiss Football League has created a tax on transfers between domestic clubs and redistributed it amongst the clubs on the basis of youth academies' quality. Since the season 2007/08 the Swiss Football League has also rewarded clubs in the Challenge League, the second Swiss professional football division, that employ players below 21 years-old and have been trained locally for at least three years in a Swiss club since the age of 15. In addition, the Swiss Football Association invests part of the national team revenues for the training and development of young players and, based on the French system, created two pre-training academies. The good results obtained by the Swiss national selections at youth level show, regardless of the presence of foreign players, that success can be partially planned. Currently, 29 footballers trained in Switzerland play in the five major European leagues, placing this small country in the sixth place amongst the nations exporting football players to top elite clubs.

It is also true that the financial strength of English clubs, the strong presence of foreign investors and the existence of global transfer networks that enrich all the main stakeholders, from players' agents to clubs' managers, are criteria that make it difficult to adopt policies similar to the French or Swiss in the English case. However the development of appropriate youth systems are critical for the future. In conclusion, the opening up the football players' market could have penalized those countries with the richest leagues, whose clubs attract the best players in the world. However, as Milanovic (2005) argues, this situation has increased the chances of more national teams to achieve good results worldwide, improved the level of competitive balance, and therefore increasing interest in international competitions.

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Meltdown: The Nationality of Premier League Players and the Future of English Football*

Gordon Taylor, Chief Executive, the Professional Footballers' Association

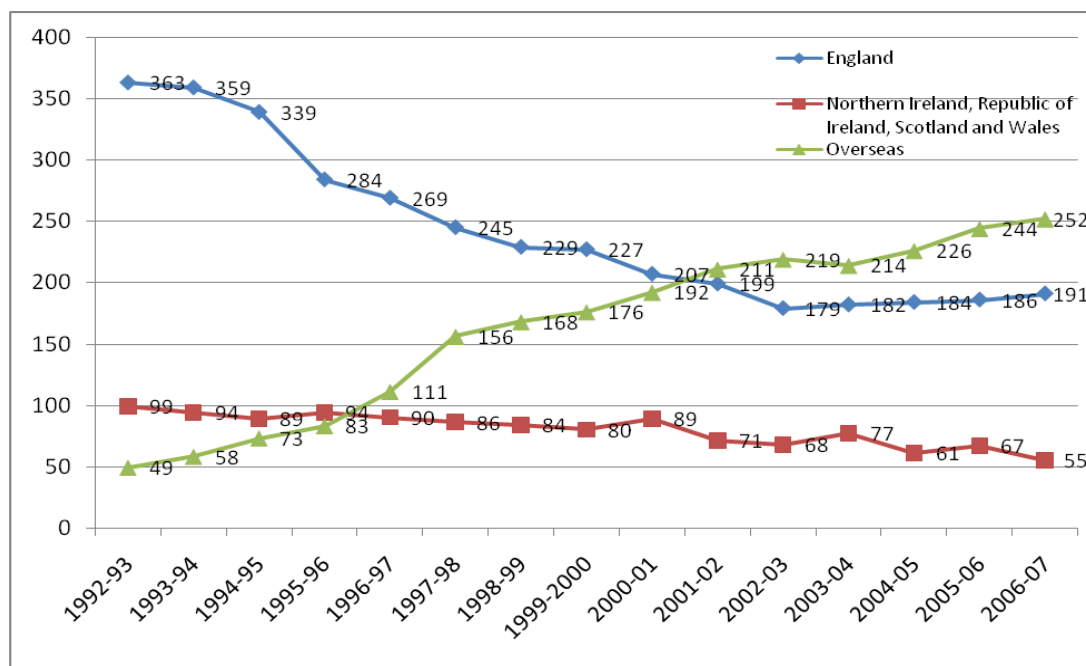
Abstract

This article presents the findings from the Meltdown Report published by the Professional Footballers' Association in December 2007. The Report provides a thorough analysis of the effect overseas players have had on the English game. It analyses the nationality of every player who has started a Premier League game from the opening day of the Premier League in 1992-93 to the last day of the 2006-07 season and considers the effect that the presence of a large number of overseas players has had on the development of home-grown players and upon the England team. In addition, the report analyses the numerous factors that lie behind the statistics and it has moved the debate towards potential solutions. It highlights some of the innumerable initiatives being undertaken at the coalface of the game to produce high-quality players and it urges everybody in the game, including fans and media, to return to the positive stance taken by The Charter for Quality, the seminal Football Association report from 1997 that laid out an English route to player development and by extension, to our being successful at both club and country level. The report states that all these elements provide a comprehensive overview of the crisis that English football faces as a result of England not qualifying for the 2008 European Championship finals.

*This article was first published as the 'Meltdown Report' by the Professional Footballers' Association in December 2007 and is reprinted with the kind permission of the PFA. This article does not include all the figures used in the original report – for the full report please go to <http://www.givemefootball.com/pfa/about-the-pfa/meltdown-report>

England's failure to qualify for the Euro 2008 finals has many causes, but only one source: English football is running out of English players. In the 2006-7 season, 498 players started Premier League games. Of these, only 191 were English - just 38%. Last season was no fluke. The number of English players starting Premier League matches has fallen in eleven of the fifteen seasons since the Premier League began and in the four seasons when English numbers increased, the increase was statistically insignificant. We are down to the bare bones. By comparison with 1992-3, the season the Premier League began, the percentage of English players starting matches in the top flight has shrunk by 47%.

Figure 1: The Number of players in the Premier League: English, other home-grown and overseas

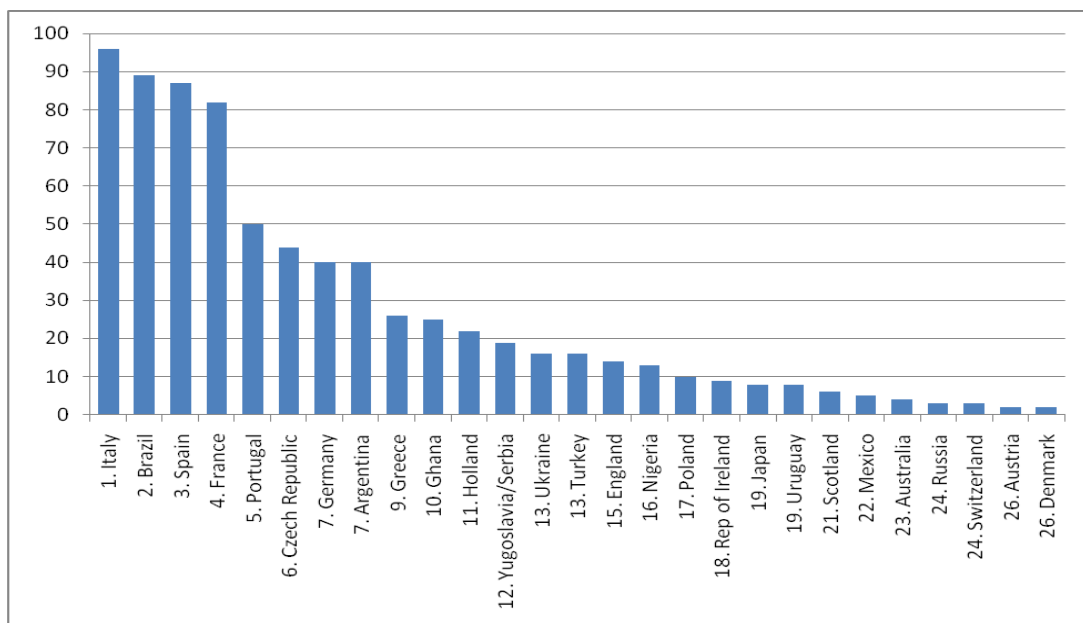


We have never had so few English players in the top level of our game as we have had in the past five years. Yet we expect this shrinking pool of players to constantly produce world-beating teams and are shocked when it fails to do so. We expect to beat countries like France whose best players are soaking up experience abroad, although at the time of writing only one senior English player is playing abroad. We expect to beat countries like Germany who,

when faced with an equal influx of foreign players, took action we have failed to take. We expect to beat countries like Italy who have vast pools of technically gifted players. We expect, we expect and we expect....and when players fail to meet our expectations, we lambast them or the England manager or our latest opponents or the referee or the pitch or the scapegoat of the moment, rather than analyse the system which repeatedly produces failure. France, Germany and Italy have been successful because they have built systems that produce wave after wave of good players and by any objective measurement, we lag far behind them. We have not built an equivalent to their systems and repeatedly blaming the England manager for the shortcomings of the system is neither fair nor honest and asking one individual to right the accumulated wrongs of decades is absurd. The hysteria that surrounds England games and the national game of blame we indulge in every time England fails to conquer the world does none of us any credit.

Are we ever going to conquer the world again? If we take into account every level of international football from Under 17 to the World Cup and examine our record from the start of the Premier League to date, England come in at fifteenth. Just ahead of Nigeria and Poland and behind Ukraine and Turkey. Hardly the stuff of our dreams. But this is the ways things *really are*.

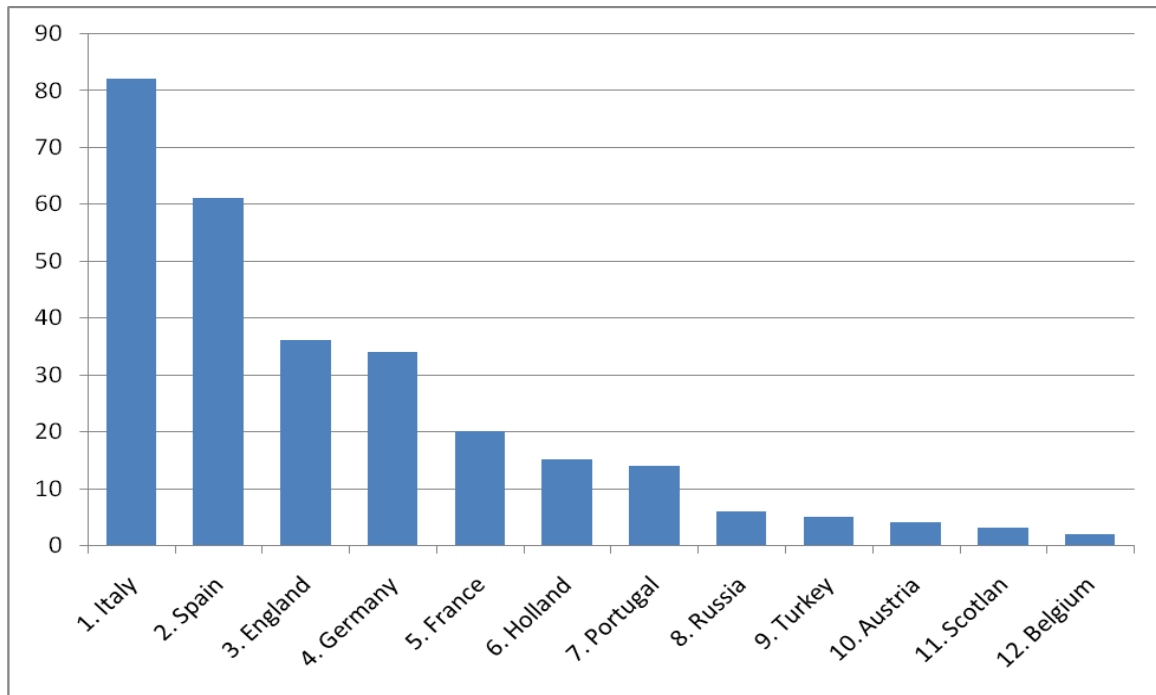
Figure 2: International Country Competitions over 15 Seasons



(This figure is based on the winners and runners-up in the seven major competitions between 1992-93 and 2006-07, including the world under 17 championships in September 2007)

Traditionally, we have taken consolation from our clubs' success in Europe. But it is our clubs' very power, based on foreign players, that has drained the England team of any players as we have, our clubs *may* be successful but our national team cannot be. Only one side of such a lop-sided equation can be successful and as things stands, that can only be the clubs. Indeed, it is *because* the clubs are successful that our country cannot be.

Figure 3: European Club Competitions over 15 Seasons

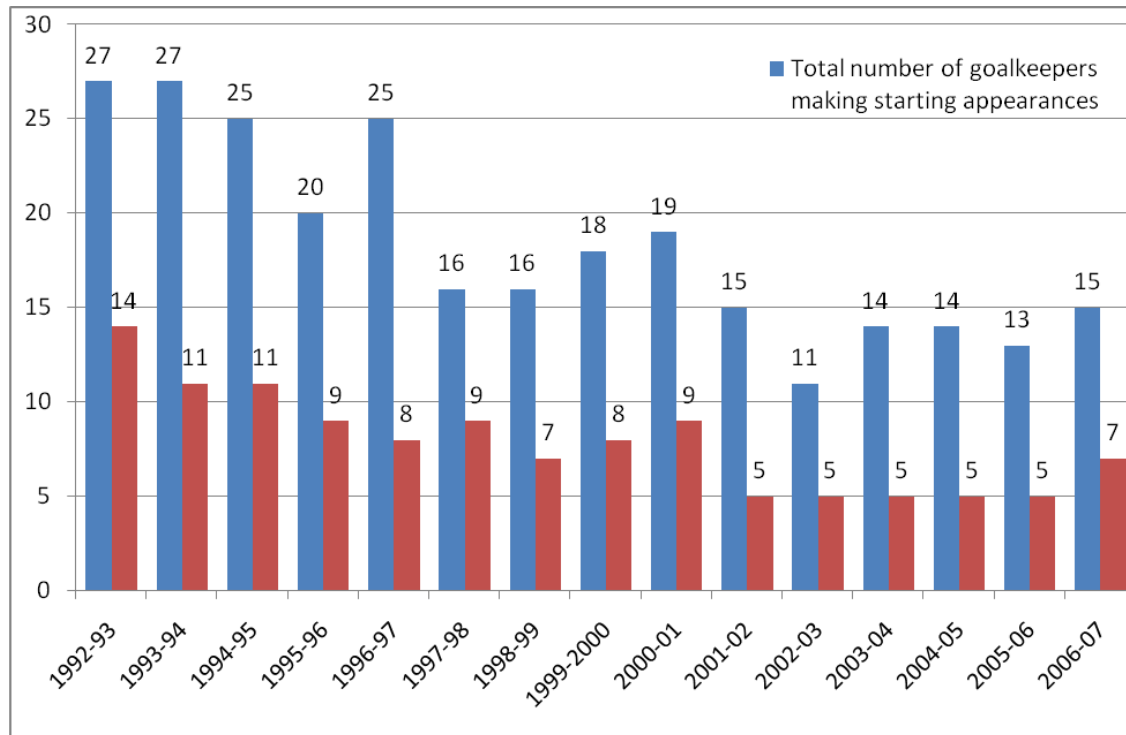


(This figure is based on the winners and runners-up in the three major European competitions between 1992-93 and 2006-07 inclusive)

But there is more and it is worse. The most English position on the pitch - goalkeeper - is no longer an English position. In nine of the last ten seasons, more overseas goalkeepers than English have played in the Premier League. Look deeper and the gap grows. In five of the last six seasons, the number of *regular* English goalkeepers - that is, goalkeepers who have played more than

half of their club's Premier League fixtures - has been half the number of regular overseas goalkeepers.

Figure 4: The Number of English Premier League Goalkeepers



If the English shrinkage were confined to one position, albeit the one for which we are renowned, we would just be facing a historical blip. But the number of English players is shrinking all over the pitch. When the Premier League was launched, 15 seasons ago, 71 English forwards started games. Last season, the figure was 39. English central defenders? Since the Premier League began, the figure has gone from 72 to 34. Full backs? The number of English full backs starting games has gone from 64 to 43. English wingers? A rare breed at the best of times, they have gone from 36 in the 1992-3 season to just 16 last season. Midfield players? Here, the English collapse has been phenomenal - from 93 in 1992-3 to 44 last season.

None of these changes have occurred overnight. The numbers of English central defenders, wingers, midfield players and strikers playing in the Premier League have declined in 13 of the last 15 seasons, while the number of English goalkeepers and full backs has 'only' gone down in ten and eleven

of the last fifteen seasons, respectively. In short, the decline of the English has been consistent and it has occurred in every position on the pitch. The uncomfortable fact has to be stated. We are in meltdown.

Nobody disputes the right of foreign players to play in England. On the contrary. They are some of the most welcome guests our game has ever had. They have brought in training and lifestyle ideas that are ahead of our own. They have broken down prejudice and national stereotypes. As a group, they have set standards of attitude and behaviour that have been as good for our society as they have been for our game. They have given tremendous pleasure to fans and they have made the Premier League the greatest football competition in the world. They are our friends and indeed, PFA members. Nobody disputes the fact that our foreign friends have brought immense good to our country and to English football.

But nothing comes without a price and the price of the unrestricted flow of foreign players into England has been the loss of a generation of English players. Indeed, we are close to losing a second generation and if current trends continue – as all evidence suggests they will - we are, at best, ten years away from having too few English players to mount a serious World Cup campaign. By chance, ten years takes us up to the 2018 World Cup finals, which the Football Association has decided to bid for. If we win the right to host the 2018 World Cup, we may be grateful that the host country automatically qualifies for the World Cup finals. If we don't win the right to host the 2018 World Cup, are we prepared for not qualifying on merit?

Our national mindset is that we are a major power in world football. But we are not. We are a second rate footballing nation and if nothing is done, we are a decade away from being a third world footballing nation. A decade from meltdown. That is a high price to pay for having the greatest domestic football competition in the world. Are we prepared to pay that price? As things stand, it is becoming pointless for a talented English boy to take up football in the hope of playing at the top level in his own country. Are we prepared to continue paying that price, too? Are we prepared to see England slip to the level of a

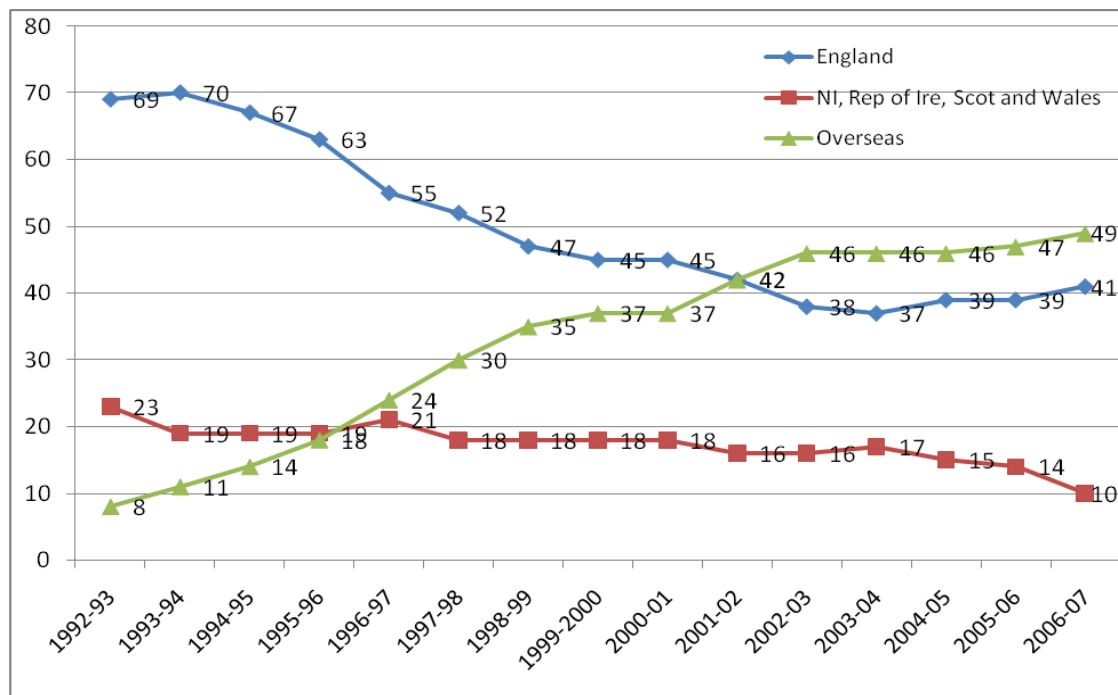
footballing banana republic in order to maintain the hope -and it can only be a hope, for nothing is guaranteed - that our clubs might be successful instead? This is the logic of a greedy gambler, of a short-term thinker who thinks that his winning streak will last for ever. But it is the logic we have locked ourselves into. If we are prepared to see England fail or to accept that squeaking into major championships is acceptable, let us at least be honest about it. Let us stop the hype. Let us accept that we are a minor football power that is liable to become even more minor and nail our collective colours to the clubs' masts. It is not a pleasant prospect, but at least it is a realistic one and consistent with the course we are set upon.

There is, though, more at stake here. What is at stake is not just the future of the England team but the fundamental right of English players to rise as far as their talent will take them. That right is now denied. The truth is that we have become a finishing school for the rest of the world, at the expense of our own players. The evidence is piling up around us. Last season, 252 overseas players began Premier League matches, a record. More significantly, it is a record that has been coming for years. The number of overseas players has increased in 14 of The Premier League's 15 full seasons and in every season since 2001-2, more overseas than English players have started games. Last season, for the first time, the number of overseas players starting Premier League games overtook the number of home-grown players - that is, players from England, Northern Ireland, the Republic of Ireland, Scotland and Wales - combined.

Most worrying of all, the number of overseas players making Premier League debuts every season is running at three times that of English players coming into the game through the Academy system. What we need is balance. Balance between the Premier League and the England team. Balance between the needs of clubs for experienced players who will not endanger clubs' Premier League status and the right of talented English players to play at the top level. Specifically, we need balance between the torrent of ready-made overseas players pouring into the game and the trickle of talented English players coming into the Premier League.

Can things get more out of balance? They already have. For counting the number of players starting games does not show the whole picture. A club may employ players of many nationalities but only occasionally play some of them in the first team. To see what has really been happening in the Premier League, we need to study clubs' starting line-ups to see how the number of *starting appearances* has been split between domestic and foreign players. Here, for a country with pretensions to world power, the figures are staggering. Last season, 41% of the starting appearances in the Premier League were made by English players. In Italy - the country which is the main power in world football - the comparable figure was 71%. We are barely a power in our own land, let alone a world power.

Figure 5: Starting Appearances in the Premier League (by percentage)



If we look at the figures another way, by ignoring starting appearances made by Scottish, Welsh and Irish players, the English are still a minority in their own country. Counting just English and overseas players, English players made 46% of Premier League starting appearances in comparison to 54% by overseas players last season. In fact, we have to go back to 2000-1 to find a season when more Premier League appearances were made by English than

overseas players -and before that, the number of appearances by English players was in freefall. Whatever way the figures are spun, they leave the English in a minority.

As the milk shrinks, so does the cream. In the early seasons of the Premier League, the number of players who could realistically be considered for the England team was around 60. It is now difficult to argue that the figure goes higher than 40. The names can be argued over, but the numbers will not significantly change. This was inevitable. Producing a smaller number of English players was inevitably going to produce a smaller number of players who were good enough for the national side. Indeed, in the circumstances, it is remarkable that we have got as many high quality players as we have, not that we have so few.

Many factors, frequently self-inflicted, have stood between us and winning the World Cup since our solitary win in 1966. But to all of these, we have to add that of the smallest pool of English players in the history of the game. England, at a generous push, is a pool of 40 players. Our system effectively presents the England manager with 40 names and tells him to get on with it. Italy twice World Cup winners and runners-up since 1966 have at least 60 players who could reasonably be considered for a place in the national team. The reasons for Italian football's healthier relationship between clubs and country are many and various, but they coalesce around a basic fact: last season, 338 Italian players started games in their country's top league, as opposed to the 191 Englishmen who started Premier League games. More milk always means more cream.

As we tend to personalise these issues - why? – our reaction to our shrinking national prowess is seek a saviour who will solve everything by scoring goals out of nowhere for the England team. As one senior coach who worked at the Football Association puts it:

"Everybody I was working with saw Beckham as The New Gazza, Owen as The New Beckham and now Rooney is The New Owen and I

suppose Walcott will be the New Rooney. There is a belief that these magical people appear from nowhere, on a mission to win us the World Cup and when we don't win it, The New Saviour is blamed and we go off and look for another one. It's madness - one man doesn't make a team and one team doesn't make up for a system that produces team after team, some good, some so-so and some brilliant. If you've got a high-quality system, you will still have dud years because that's nature's way. You don't get a bumper harvest of crops out of even the best soil every year, do you? The Brazilians and the Germans and the Italians seem to understand this but even now, as a culture, I'm not sure we do."

Indeed. All of these statistics and tendencies might be less worrying if we had a flow of young English players into the game. We might even be able to cope with the flood of ready-made players from overseas if there was a reasonable flow of young English players into the Premier League. But there is not. Last season, only eight English Academy players made debuts in the Premier League. The previous season, 2005-6, the number was 20 - the highest-ever figure and something of a fluke since it contained no less than eight players from one club, Middlesbrough, who have gone out of their way to concentrate on young, home-grown players. However, very few clubs have followed such a policy. Since the Academy system began, only 120 English players from Academies have made debuts in the Premier League. This means an average of 13 English players have gone from the Academies into the Premier League every season since the Academy system began. In the same period, 617 overseas players have made debuts in the Premier League.

Creating Players for Other Clubs

The issue of how many players have been created by the Academy system is actually quite complicated. A significant number of young professionals have reached the Premier League without going through the Academy system and players who have spent some time in a club's Academy are not necessarily products of that Academy. An illustration of the complications generated by claiming credit for a player's development are illustrated by an item Arsenal placed on their website on Jan 24, 2006. Arsenal are renowned for creating

players who end up in other club's first teams, be it in the Premier League or elsewhere and the item in question said:

There are well over 50 Arsenal Academy graduates now playing professional football at league level.... we have only included players who appeared in Academy football from the 1998/99 season onwards, therefore some notable names...are not included.

At first glance, this seems fair enough. There were 57 names on the list and the implication was that everybody on the list got, their football education at the Arsenal Academy and therefore owed their position in the game to the time they spent there. Or at the very least, that they were playing professionally because of the time they spent at Arsenal. However, 13 of the 57 were brought in from abroad and when they were brought in, the youngest of these players was 15. So the longest time any of the 13 could have spent in Arsenal's Academy was three years, making Arsenal their finishing school, not their producer. So 57 goes down to 44.

- 44 becomes 43 because a 14th player, Jermaine Pennant was bought, at 15, from Notts County.
- Of these 43, nine were already 16 when the Arsenal Academy opened in 1998, so they would have had Apprentice contracts before the Academy began, making them products of the pre-Academy era. So 43 becomes 34.
- Of these 34, at a conservative estimate 15 spent more than half of their pre-professional time at Arsenal in the pre-Academy era. So 34 becomes 19.
- Of those 19, only five - Kerrea Gilbert, Ben Gill, Fabrice Muamba, Dominic Shimmin and Anthony Stokes spent *almost* all of their pre-professional life in Arsenal's Academy.
- So 57 becomes 5.

The 52 who spent less of their development years in the Arsenal Academy were obviously influenced by their time in the club. But to varying degrees, they were not graduates of Arsenal's Academy. In fact, the young players who left Arsenal's Academy in the summer of 2007 were the first to have entered Arsenal's Academy at nine and left it at 18 – and thus, the first to have spent their entire football education at Arsenal's Academy. *They* were graduates from the Arsenal Academy - and its first graduates.

The bottom line is a very simple one. Older, ready-made foreign players are blocking young English player's paths into the Premier League - inadvertently bolstering Alan Hansen's famous adage that '*You don't win anything with kids*'.

Alan Hansen was right

Villa on the opening day of the 1995-6 Alan Hansen became famous, if not notorious, for saying "You *don't win* season in his pundit role on the BBC's *Match of the Day* programme Alex Ferguson had played *five* young players in the team after surprisingly selling three older, senior players - Mark Hughes, Paul Ince and Andrei Kanchelskis - during the summer. However, United went onto win not only the Premier League but the FA Cup, with the five young players Hansen had referred to - David Beckham, Nicky Butt, Gary Neville, Phil Neville and Paul Scholes – at the heart of the double-winning side. Moreover, the "kids" of the 1995-6 side went on to win five Premier League titles in the next seven seasons, along with the FA Cup and the Champions League, in the 1998-9 season. Not surprisingly, Hansen's remark went down as one of the greatest pundit gaffes of all time.

But hindsight throws a different light on Hans 's remark. Firstly, the Manchester United team of 1995-96 was not that young. The youthful five were joining a team that had a core of experienced older players, including the best goalkeeper of the time – Peter Schmeichel, the outstanding central defensive partnership of the time - Steve Bruce and Gary Pallister - and not least, Eric Cantona, then 29, who had been at United for three years. The team's average age was 25.52, older than the Blackburn Rovers team (25.50) that won the title the previous season, older than the Chelsea team which won the Premier League in 2004-5 (25.14) and only three months younger than the Chelsea side which won the 2005-6 Premier League, (25.83). Secondly, what really distinguished the Manchester United 1995-6 team was its balance. It fulfilled the managerial dream of balance, in both age and experience and was a perfect example of how young players can benefit from playing alongside older ones, regardless of nationality. The last time that sides younger than the 1995-6 Manchester United team regularly won the top English league title was in the 1960s and early '70s when, remarkably, every winner of the old First Division title between 1962-3 and 1972-3, inclusive, was younger than the United side of 1995-6. But what applied then has not applied to the Premier League. In 13 of its 15 seasons, the Premier League has been won by teams older than the 1995-6 Manchester United side. In short, Alan Hansen was right: in the modern era at least, you don't win anything with kids.

Let us be clear about several things. 1992-3, the season from which it is logical to start all statistics as it was the opening season of the Premier League, was no golden age. England had just come bottom of their group in the European Championship finals, our club football, with few exceptions, was based on power and effort and there were widespread concerns about whether our best clubs, who were returning to European competition after the Heysel ban, had fallen irretrievably behind their continental counterparts. Two years later, in 1994, England failed to qualify for the World Cup after a season

in which only 58 overseas players started Premier League matches - just 23% of the number of overseas players who began matches last season, 2006-7. English football's problems were just that - English – and it was hardly a golden age.

Neither are we attacking the FA, the Premier League, the European legislation - notably the Bosman ruling which triggered this process - or the overseas players who have come to England. On the contrary. It cannot be stressed too often or too firmly that the Premier League is not the enemy, any more than foreign players are. The combination of the two has enriched our nation, never mind our national game. To take one aspect of this process from many, every Premier League club fan in at least the last ten years will have had foreign black players in their team. Any racially prejudiced fan would have had to re-assess their feelings, consciously or not. For that reason alone, foreign players and the Premier League clubs have worked as a force for social good.

The issue is not the Premier League or foreign players as such. The issue is balance: we have brought in foreign players in an unbalanced rush that has decimated the chances of home-grown players reaching the Premier League. Neither, as a game, have we considered what will happen when the TV revenue, which underpins the boom in overseas players, starts to shrink. It will shrink. No boom lasts for ever. But what will we do when the inevitable fall in revenue begins? As a game, do we have any contingency plans other than panic?

It need not have been like this. In May 1997, the FA, in collaboration with every senior organisation in professional football, including the PFA, produced a Report called *The Charter for Quality*. The *Charter* addressed many issues but above all, it addressed our failure to develop a stream of elite players for the national side. In practice, its recommendations dealt with the long-standing tension between club and country that has undermined our chances of succeeding at both levels. If the *Charter* had been fully implemented, we could have succeeded at both levels, no matter how many foreign players

subsequently came into the English game. Indeed, it is arguable that the *Charter* and some of the other measures proposed in its wake formed the perfect preparation for an influx of talented foreign players.

Since we failed to see through the *Charter*, we have had - all exceptions readily admitted - few policies regarding youth development other than throwing money at it. Expenditure on youth development in the Premier League is currently running at around £40m per annum and since the Academy system began, we estimate that Premier League clubs have spent a total of almost £400m on youth development. These are huge figures, but since this money has been spent in a league with money that dwarves even these figures, such expenditure on youth development does not necessarily mean commitment. A Premier League club can spend £2m a season on its youth system, as some do, without expecting any players to emerge from it. Indeed, some Premier League clubs have even – off the record - justified the neglect of their own youth systems by quoting Alan Hansen's remark about clubs winning nothing with kids.

Moreover, the expenditure on youth development begs two questions which are rarely asked. Firstly, *how* is the money being spent? Expenditure on the Academies since the *Charter* has produced some of the best facilities for youth development in Europe, if not the world. But - and again with all exceptions gladly admitted - our Academies have taught our young players traditional English tactics and attitudes. With few exceptions, our Academies are playing what one Academy Manager describes as "*smash and grab football, where all that matters is the result*". Which is the very opposite of what the *Charter* intended.

One of the ironies of the overseas revolution is that while it has limited the chances of home-grown youngsters reaching Premier League first teams, it would have *increased* their chances of reaching the Premier League if it had trickled down to Academy level in the form of foreign youth coaches. Why hasn't this happened? One experienced Premier League Academy Manager answered the question thus:

"I'd love to employ a continental coach. I'm sure it's the best thing I could do for my kids and they'd be up for it. It would benefit everybody if we had first teams made up of younger English home-grown kids and older foreign players. Then we could be certain that the younger lads are learning from foreign players, which I don't think happens at the moment. My young lads watch Italian and Spanish football on TV and are fascinated by it. But if our lads started playing out from the back and interchanging positions the way any continental coach would want, they'd be smashed around the pitch and lose by a hatful of goals every week - and what would my chairman think of that? I'd be out of a job, for one thing."

The second question begged by the high expenditure on youth development is that of outcome. Having spent so much on developing young players, is it acceptable that most of the fruits of this expenditure have their path to the Premier League blocked by their clubs repeatedly buying older, ready-made players? Any good business invests in research and development. But our business has researched and developed young players - and then blocked their way to the top.

Would we expect an IT company to spend a small fortune on researching and developing computers, but then spend the bulk of its income on importing computers from abroad? Would we expect a farmer to invest in crops, but then block the sale of his own produce by importing vast quantities of cheaper foreign food? Of course not. But behaviour we would find absurd in the rest of the world has become common practice in football.

What is the point in being the wealthiest football nation in the world if we cannot develop our own players? To perpetually dwell on record income, record TV rights and record TV audiences is a convenient half-truth that ignores the price we are paying for these records. The price is that we are a second-rate nation at international level and perilously close to becoming a third rate one. To try and stop this slide, we keep demanding that our over-

burdened group of international class players keep wrenching out magnificent performances for their country, while fulfilling the crowded fixture lists of their clubs. That is placing an unfair burden on our best players. Indeed, we are effectively asking them to put right, through repeated world-class performances, everything that the rest of us have got wrong. Including, not least, the failure of the Premier League to achieve one of its main objectives. It has long been forgotten that a "*prime objective*" for creating the Premier League in the first place was to reduce the number of games played by our international players (Football Association, 1991: 29-31). This was to be achieved by putting the England team "*at the apex of playing excellence*", at the top of an 18 club Premier League. What happened to those noble intentions and why should our best players have to carry the burden of the breaking of those commitments?

Meanwhile, underneath the top level, we are squandering human resources in the shape of several generations of young players as fast as we are bilging money on overseas players. Does anybody have a masterplan for recovering from this mess? We are at a crossroads that should give us pause for thought. All of the statistics we have developed in the course of this research show a slight levelling out in the decline of English players in recent seasons. It is tempting to see this as the market starting to re-adjust and the beginning, however tenuously, of a healthier balance between English and overseas players.

But our research suggests that this is not what is happening. We believe that Africa and Asia will be sending many more players to England in the near future, with a lesser but significant number coming from north America and possibly south America. If this proves so, then the mild levelling out of English decline in the Premier League has only been a pause and we must expect the present home-grown numbers to be further reduced and possibly drastically so.

Increased foreign ownership of Premier League clubs could unbalance things ever more. The recent suggestion that some Premier League games be

played in the USA met universal scorn. But until quite recently, the idea that nearly half of the Premier League, including three of its four leading clubs, would be foreign-owned would have met universal scorn.

So where next? What if a foreign owner wants "his" Premier League club to buy or loan players from his native land, will the manager be able to refuse? Eighteen months ago, third party ownership of players was unknown in the Premier League. But after the precedent set by the arrival of Javier Mascherano and Carlos Tevez, who can say that more such players, part-owned by third parties, will not come to England? If *that* starts happening, our clubs will have employees who are free to go and play somewhere else whenever their effective owners wish. We will have entered very dangerous waters indeed at that point. Are we prepared for that?

The combination of the Bosman ruling and a huge TV income have brought enormous benefits to the top end of our game. But as this free-market revolution speeds up, we should stop and think about where it is taking us next. We have alluded to the levelling-off in the number of starts overseas players have made in the Premier League, until last season's record level. This levelling off has generated a further knock-on effect. In recent seasons, the *number* of overseas players starting Premier League games has steadily risen, while the number of *starting appearances* made by overseas players has hit a slight plateau. The net effect is that an increasing number of overseas players are sitting on the bench or holding down fringe first team positions that were previously going to home-grown players. That phenomenon alone is sufficient to undo one of the central tenets of the *Charter*, that a logical pathway be created from youth team to first team. In other words, the domestic decline is starting to eat into the fabric of our system.

But there is more. The slight English resurgence of recent years has not come about at the expense of overseas players. Their flow into the country has not been stymied. We have more English players in the Premier League because we have less players from Northern Ireland, Scotland, The Republic of Ireland

and Wales. Last season, the number of Premier League players from the other home countries and the Irish Republic was a record low, as was the number of appearances they made. In other words, the English decline has been - slightly – arrested at the expense of a decline by all the other countries in the British Isles. We are in trouble and "we" is all of us - not just England but the other countries whose players have been as much a part of English football as the English.

In summary, 41 years after England last won an international trophy, a shrinking pool of English players is being topped-up by a trickle of young English players and swamped by a torrent of older, ready-made overseas players. With very few exceptions, clubs prefer the latter to the former because old hands are less likely to make mistakes and cost clubs their place in the Premier League. In short, fear is beating vision hands down.

But it is doing something even worse. The fear and the short-sighted attitudes that underlie this process are denying English, Irish, Scottish and Welsh lads the chance to play at the highest level. Somewhere out there, is a lost generation of players. Worse - most of the British and Irish lads who are coming through the system are effectively already lost. Worse still, many of the generation behind them - that is boys who are now 16 and under - are going to be lost if the flow of foreign boys into Academies keeps increasing, as every indication says it will. The fundamental right of home-grown boys to rise as far as their talent will take them is being denied. That cuts against the most basic concept of fairness and we should be ashamed that things have reached this stage. This is not sport. This is the free market gone absolutely mad.

Is there any hope of better times? As we learn every season, football is about hope. There must be hope and indeed, there is. Many things have been said Manchester United winning the Premier League last season, but perhaps the most important was the least said. That Manchester United are literally the most balanced side in the Premier League. In the 2006-7 season, 10 English and 12 overseas players started Manchester United games. The 10 English

players appeared a total of 181 times and the 12 players from overseas appeared a total of 180 times. Teams do not come more balanced than that and indeed, over the 15 full seasons of the Premier League, Manchester United's first team has consistently been the most balanced between domestic and overseas players.

But that balance was not accidental or achieved overnight. Sir Alex Ferguson was able to spend 20 years producing teams that could simultaneously compete in England and Europe because he was first able to overhaul every aspect of Manchester United, from how boys were scouted to how the first team trained and he was able to do *that* because he was in a stable club that let him get on with the job. In other words, stability and an all-encompassing system are needed before any - *any* - amount of money, luck, talent or effort can hope to make a permanent impact. That lesson has long been learnt at Crewe, whose board have backed Dario Gradi through three relegations while he has repeatedly produced effective teams and high-quality individuals. Both tales, those of Manchester United and Crewe, are often told, but that does not lessen their significance or diminish the obvious lesson: that if two clubs as far apart on the spectrum can make the same formula work, so can those in-between.

Our game is overrun with isolated examples of good and innovative work. Arsenal and Manchester United are systematically loaning out young players to European clubs, to try and create a more rounded player who *can* compete with ready-made players. Arsenal are rightly renowned for taking great care where they loan out their players and for monitoring them properly while they are on loan. Last season, Chelsea and Tottenham took their Under 18 sides to play their European 'counterparts' when their senior sides played in Europe. There are equal signs of hope in the Football League, where Nottingham Forest and Norwich both maintained substantial youth development programmes after suffering relegation. Wrexham, to take one of many examples of good practice in the lower leagues, kept faith with their youth programme, one that features some particularly innovative sports science, after the club went into administration.

The Football Association has created 66 coaching jobs specifically aimed at teaching basic movement and skills to younger children. The Football League has a team of full-time youth development officers who help clubs exchange information about every aspect of youth development. That may not sound terribly exciting to people outside the game, but in an industry obsessed with competition and secrecy, it is revolutionary. There are many more examples of hopeful initiatives here, imaginative projects there. But few will have the impact they deserve if these strands are not pulled together into a national approach. None will generate English Premier League players if their pathway to the top, the pathway that *The Charter for Quality* went to such great pains to create, remains blocked by the wholesale purchase of ready-made players from abroad. If we are to clear that pathway and create balance between the conflicting needs of our clubs and our young players, we must look at the whole picture, not just the successful bits that suit us. We must learn from abroad instead of just buying from abroad and we must be realistic about the dreadful state we are in. It can be done. As always in football, there is hope. But hope needs action if it is to be effective and time is running out. We must act now.

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‘Feet-Drain’ or Feet-Exchange’?: The Effects of Foreign Player Involvement in the Premier Academy League

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Abstract

The aim of this paper is to make sense of the effects of foreign player involvement in English football’s elite youth academy system. Based upon a series of interviews, conducted as part of a pilot study, with key figures at a highly successful Premier Academy League club, and the Premier League, the paper shows that the involvement of foreign players should not be viewed negatively in terms of processes such as ‘feet-drain’. Rather, the involvement of foreign players should be seen to reflect processes of ‘feet-exchange’ whereby skills and knowledge are circulated to improve overall standards of performance for indigenous and foreign players. The paper concludes by making a series of observations which help to make sense of the effects of the involvement of foreign players in the Premier Academy League.

1. Introduction

The migration of athletes has become a prominent feature of global sports worlds (Maguire, 1999; Maguire et al, 2002). In many sports, athletes are migrating within nation states, between nation states on the same continent, and beyond their own continents. The result is a contemporary sporting culture whereby athletic labour flows increasingly traverse geographical, political, cultural, ethnic, and economic boundaries.

In football, these movements are no different. Indeed, it could be argued that the migrations of football workers are among some of the most ubiquitous within global sport. For example, consider the movements of David Beckham, one of the most high profile football, and indeed sports celebrities in the world. His migrations have included movements firstly from Manchester to Madrid, then onwards to Los Angeles, and more recently to Milan. Consider also the ongoing debate in relation to the number of foreign players in the English Premier League. Where there were only 11 overseas players in the Premier League's first season in 1992/93, by 2007/08 this number had risen to 331 (Rollin & Rollin, 2007).

The increasing numbers of foreign players in the English Premier League have become the source of considerable heated debate in recent years. Predominantly these debates have centred on the perceived negative effects of foreign player involvement; specifically the underperformance of the England national team and, most recently, their failure to qualify for the 2008 European Championships. The apparent 'feet-drain' that is occurring in English football does not occur exclusively however at the donor level where a 'deskilling' (Maguire et al, 2002, p.37) of the indigenous sports population occurs. Rather, feet-drain occurs at host level whereby the involvement of foreign players is argued to stifle the development of indigenous talent, taking its place, and squeezing it out to the margins of the professional system.

Recently, the debate relating to foreign player involvement has re-positioned itself. In addition to the ongoing commentary directed at the Premier League's

senior teams, some critics have focussed their attentions on the elite youth academy system in England, arguing that the same processes of feet-drain evident in the senior game are developing in the youth ranks also. Like its senior counterpart, it is argued that the best foreign imports at youth level are being recruited to the detriment of indigenous talent which is increasingly being forced to the margins. In addition however, the recruitment of youth players from various foreign markets is also resulting in the deskilling of those youth leagues located outside of England. Indeed, during 2008, Michel Platini, the President of UEFA, felt so strongly about the recruitment of foreign youth players to Premier League academies that, with the backing of FIFA President Sepp Blatter, he called for the European Commission to place a total ban on the transfer of minors in the game.

The involvement of foreign players in professional football is an area with an increasingly visible profile. It is also an area that has created considerable comment in recent years. Arguably, however, at elite youth level at least, the involvement of foreign players need not be viewed exclusively in terms of marginalisation of indigenous talent and the deskilling of foreign markets. Rather, the involvement of migrant workers can be seen to improve overall standards of performance in a number of ways, which benefit both indigenous players and their foreign counterparts. Before it is possible to show how this might be the case, it is important to set out the conceptual framework from which the papers central contentions are based.

2. 'Feet-Drain' or 'Feet-Exchange'?

To properly understand the concepts of 'feet-drain' and 'feet-exchange' it is important to set out the broader conceptual environment from which these terms have developed. On this basis, it is useful to consider research in the area of highly skilled migration where the concept of 'brain-drain' has been applied in research over many years, and where the concept of 'brain-exchange' has been introduced more recently.

In the 1960s, research into the concept of 'brain drain' sought to examine the movement of migrants who could be categorised as highly skilled, and sought to determine the losses which could be justifiably sustained by developing countries when their highly skilled workers migrated to more developed nations (Iredale & Appleyard, 2001). Research in this area has examined the movement of highly skilled workers employed in various markets (sport, however, has been largely ignored). It has focussed, predominantly, on the problems which donor nations face when members of their highly skilled workforce relocate, often to take advantage of positive wage disparities (Bohning, 1984; Fischer et al., 1997). When migrations occur in this manner donor nations often face a systematic 'deskilling' of their highly skilled population.

In sport, the concept of brain-drain has been captured in a number of ways (see Bale, 1991, Darby, 2007, McGovern, 2000). Arguably, however, it is through Klein's analyses of Dominican baseball (1989, 1991a, 1991b, 2006) where this process can be most readily identified. Klein's work shows how consistent outward migrations along determinable 'talent pipelines' can give rise to problems which can be likened to a sporting equivalent of the brain drain. Specifically, Klein's research shows how intended migratory dynamics can lead to a series of blind, unplanned, and unintended consequences. Klein's work, which examined the movements of Dominican baseball players to the United States, shows how persistent recruitment from a donor source has resulted in a sporting 'brawn drain' (Bale, 1991). The development of this brawn-drain has resulted in the systematic 'deskilling' of Dominican baseball.

More recently, research into the area of highly skilled migration has focussed less upon processes which result in brain drain, and more upon processes which involve the development of what one might term 'brain exchange'. The development of this concept has occurred as the composition of global highly skilled migration has come to reflect the emergence of 'epistemic communities' (Thrift, 1996) where capital and skills circulate. These communities, which enhance the sustainability of a 'translocal' environment, involve the intermingling of migrant workers in a number of fields. As highly

skilled workers move around the globe with increasing regularity, and an increasing transnationalism of the global highly skilled labour market occurs, knowledge within a particular role or industry is circulated and exchanged.

Beaverstock's (1991, 1996, 2004, 2005) analyses have been particularly useful in tracing processes of brain-exchange globally. Examining the movement of business and managerial elites (accountants, lawyers, finance and banking specialists) within the internal labour markets of transnational corporations, Beaverstock points to the increasing flexibility of the global labour market, and the resultant shift from traditional settler migration to more transient and temporary forms of migration for highly skilled workers. Beaverstock contends that the emergence of these migratory trends is reflective of the growing pool of highly skilled professional workers who move between the international office networks of multinational corporations (1991). The utilisation of migrant workers as opposed to members of indigenous populations is a consequence, Beaverstock argues, of the migrants' ability to undertake certain key business tasks and to interpret global policy in a local context (1991). Moreover, the movement of junior and newly qualified professional service staff as well as more experienced migrants, transients, and trans-migrants is used to develop international experience, and raise global awareness of business practices. In this respect, the movement of these individuals globally between key financial and business centres (e.g. London, New York, Singapore) creates knowledge-rich epistemic communities where capital and skills circulate.

In sport, similar processes are evident. Maguire (1996) for example, has shown how 'pioneer' type migrants can be seen to educate indigenous populations with respect to particular elements of their sport. This process has been identified as occurring in British professional ice-hockey. In this sport Canadian migrants have been used both consciously to improve the performance of indigenous players by educating them about specific dimensions of the game. However, Canadian migrants have also been seen to raise the overall performance level unconsciously. It is argued that by working on a daily basis with players of greater technical ability and

experience indigenous players have to perform at a higher level. On this basis, the involvement of Canadian players is seen to improve overall standards of performance (Elliott, 2006). This latter process is of particular interest for the involvement of foreign players in the Premier Academy League.

3. Migration and the Premier Academy League

Before it is possible to discuss specific migratory processes and their effects in the Premier Academy League, it is useful to provide some contextualisation with respect to the league itself and the numbers of migrants currently plying their trade within it. It is also useful to sketch out the current legal and regulatory position with respect to the recruitment of foreign youth players to the Premier Academy League.

The Premier Academy League is comprised of 41 academies which are charged to develop the talents of indigenous and foreign players under the guidance and financial support of professional English clubs. Representing the highest-ranking youth development system for male footballers in England, the most senior competition in the league exists at under-18 level. From this age group players can, and do, regularly graduate to first team football with teams from the Premier League and the Football League.

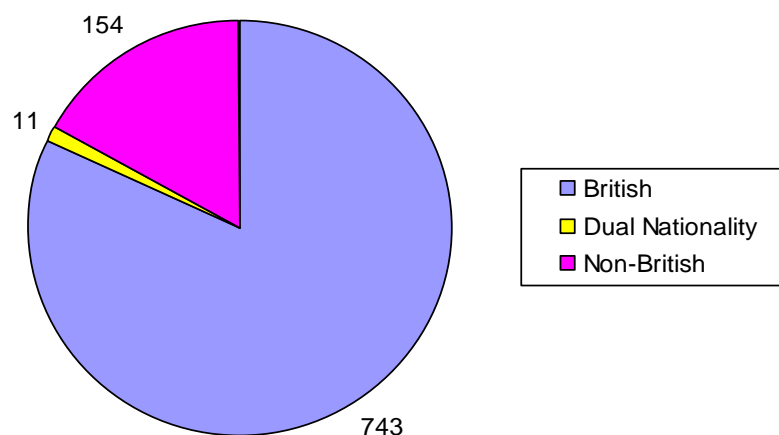
Whilst European Union law prevents FIFA from passing any legislation that would stop senior footballers born in the EU, and international qualifying players from other continents, being employed by European clubs, legislation does exist at youth level which prohibits absolute freedom of movement for footballers under 18 years of age. Article 19.1 of FIFA's transfer regulations involving minors states that players under 18 years of age cannot transfer between nations. This regulation is subject, however, to three exceptional circumstances; the player living within 50 kilometres of the national border of the new club; the players family moving to the country of the new club for non-footballing reasons; or the player moving within the European Union, in which case players over 16 years of age can be transferred. In accordance with

FIFA policy, players moving within the European Union aged between 16 and 18 must be provided with an adequate football education in line with the highest national standards. Clubs must also offer the player academic or vocational training that will allow him to pursue a career other than football should he stop playing (FIFA, 2008).

Within the FIFA regulations a number of foreign migrants have been recruited to Premier Academy League clubs in recent years. To contextualise the level of migrant involvement in the Premier Academy League a statistical analysis of registration data has been conducted. Using data provided by the Premier League and originating from the Football Association's Football Administration System (FAS), a number of observations can be made.

Figure 1 shows the nationality breakdown of players registered at Premier Academy League clubs at under-18 level for the 2007/08 season. The data shows that 743 of 1267 players registered were British, whilst 154 could be described as non-British, and 11 as having dual-nationality. Figure 1 does not show that nationality data was not recorded for 359 players.

Figure 1. Nationality breakdown of players at U-18 Level

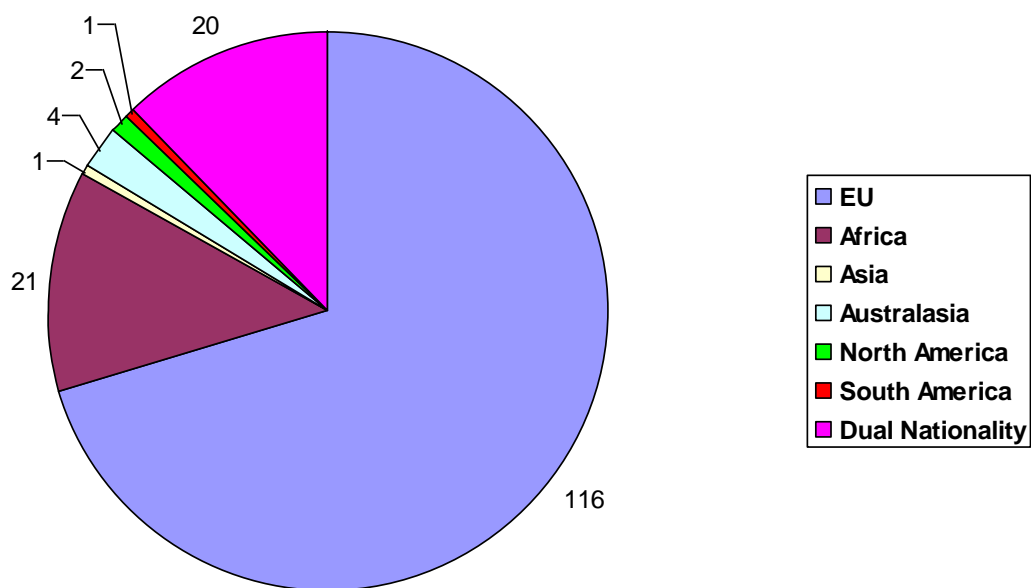


Source: Premier League, 2008.

Figure 2 shows the nationality breakdown of those foreign players registered with Premier Academy League clubs during the 2007/08 season. The data

shows that of the 165 players registered as non-British or dual national, 116 were recruited from inside the European Union, 21 were from Africa, 20 could be described as dual nationals (this includes those players registered as British dual national and other dual nationals), 4 were Australasian, 2 were North American, 1 was South American, and 1 was Asian.

Figure 2. Nationality breakdown of foreign players at U-18 level



Source: Premier League, 2008.

The data shows that there is player representation from every continent in the Premier Academy League. However, the data also shows that the level of foreign player involvement is much smaller than the Premier League where the number of foreign players exceeds the number of indigenous players. Arguably, English clubs remain focussed on the development of indigenous players. They also, however, provide an environment in which players from other parts of the world can learn the game at the highest possible level. Accordingly, when the best indigenous players are brought together with the best foreign players, a platform is created which enhances the developmental opportunities for all those players recruited to the Premier Academy League. The next section of the paper explores this idea in greater detail.

4. The Effects of Foreign Player Involvement

The statistical analysis of foreign player involvement in the Premier Academy League shows that, relative to British players, far fewer foreign players are recruited at under-18 level. At a very simple statistical level it can be contended, therefore, that opportunities should be available for indigenous players to develop within the academy system, given that far greater numbers of indigenous players are recruited relative to their foreign counterparts. This is a contention which was reinforced following discussions with key figures in the game.

4.1. Foreign Players – Raising the Bar

When asked about development opportunities for indigenous players, and the ramifications of foreign player involvement in the Premier Academy League, a senior figure in youth development at the Premier League argued that clubs remained focussed on the development of indigenous talent:

“There are some clubs who are trying to be very focussed on their own town from the chairman down, and to take a philosophical view that they will try to get the maximum out of their own environment before they even consider anywhere else”.

The same Premier League representative also drew, however, on the importance of recruiting foreign players, although he qualified his response by arguing that it would be “perverse” for clubs to consider recruiting foreign players before scouting for talent in their local environment. With respect to the recruitment of foreign players to Premier Academy League squads, he contended:

“Academy Directors have a natural inclination to take the best players from their own environment. But, if they’re not available in your own environment, you have to look further-a-field . . . In order to produce the best player, he’s got to be surrounded by the best available other players, and if he’s only surrounded by

players of average ability then he's unlikely to succeed . . . By surrounding players with the best players they effectively develop themselves"

This final point is of particular interest as it draws attention to the manner in which players potentially have the capacity to contribute to their own development. By working on a daily basis with foreign players of similar or greater ability it is argued that the overall standard of performance is improved.

The involvement of foreign players and the improvement in overall standards were common themes to emerge from discussions with coaching staff at the academy. For example, when asked about the effects of foreign player involvement at his particular academy one of the coaches argued:

"[Foreign players] raise the bar. What we're looking to do is to push the [indigenous] boys to see how far they can go. The better quality players they've got around them will determine whether they've got those extra gears. So if you can get a good quality foreign player in and he can have this positive effect by raising the standards, raising the bar, then that has to be good"

The Academy Director also reinforced the value of foreign player involvement in the development of indigenous players. As he put it:

"Foreign players generally raise the overall standards of performance in training and in matches . . . we feel as if by them being here somehow they've had an influence on some of the British and English based boys to improve their general levels and give them opportunities"

Whilst the respondents both at the Premier League and in the academy clearly believed that the involvement of foreign players could enhance development potential for indigenous players, initially the respondents were unsure how this process actually occurred. However, following further questioning, trends began to develop which showed how foreign and

indigenous players differed in their approach to the game, specifically with respect to their work ethic.

4.2. Foreign and Indigenous Players – Who wants it more?

When questioned further about the involvement of foreign players in the Premier Academy League a fundamental difference between the foreign and indigenous players emerged. Initially this difference was touched on by the Premier League representative who thought it was very important for English players to be “exposed to a different mentality, a different culture, a different football perspective, which people from other countries will provide”. However, it was unclear exactly how this difference in culture, perspective or mentality manifested itself.

The difference in mentality did become clearer when discussing player attitudes to the game with the coaching staff, who were working day-to-day, in the academy system and engaging with the players on a much more regular basis. The coaches were in agreement that the difference in foreign and indigenous player mentality was manifest in the variant work ethic of the two groups. As one of the coaches put it:

“The attitude of the young English player; they don’t need it. A lot of them want to be players, but they don’t need to be players – want and need – and these young kids coming over, they need to be players”.

Whilst the coach didn’t specifically refer to work ethic, further discussions suggested that the social backgrounds of certain players fed into a particular type of need, and therefore ethic. When asked about this the coach used African players as an example, arguing that players from this continent had a particular need and desire to play the game.

The Academy Director developed this line of argument with greater specificity. Whilst the coach had drawn attention to the needs of certain types of foreign players based on their home location, the Academy Director compared foreign

players specifically to the type of indigenous players who were traditionally recruited to their academy:

“The types of [foreign] boys that we bring here have a stronger and harder work ethic, they come from ‘less privileged’ backgrounds than some of the boys that we have from more middle-class backgrounds. So in terms of the work ethic side, they certainly bring a lot to the table”.

Given these comments, it is possible to argue that the differences that exist between foreign and indigenous players could have significant ramifications for development within the academy. Whilst initially the Premier League representative and the coaches and Academy Director were aware that having foreign players in the league/academy raised overall standards, they were unsure how this process occurred. It emerges, however, that one way in which the raising of overall standards could be occurring is as the result of increased competition, driven, in part, by the manner in which foreign players challenge the work ethic of the indigenous players. All of the respondents agreed that this process was occurring. They also agreed that other benefits of integrating foreign and indigenous players in the academy system could be identified.

4.3. ‘Feet-Exchange’

Whilst the respondents were unable to make specific links between work ethic and raised standards of performance, it was easier for them to establish the transfer of skills in other ways, particularly with respect to the specific playing attributes that foreign and indigenous players possessed. The trends which developed from discussions with coaches seemed to suggest that those foreign players recruited to the academy possessed greater technical ability. As the Academy Director put it:

“When they arrive here, the foreign boys, generally, are technically better than our boys. The reason for that is that they are trained four or five times a week”.

A similar perspective was offered by one of the coaches. However, he refused to concede that indigenous players were technically inferior to foreign players, arguing that the pace of the English game caused problems for foreign players:

“Our game is not given the credit for the technicality involved. A skill is a technique performed in a match situation – the faster, the more intense it becomes, the more difficult it is to be skilful. So you get some very good technicians who come from abroad and technically they fall apart”.

Further discussions suggested that there were two primary differences between the foreign and indigenous players. Firstly, there was a general consensus that, irrespective of their ability to perform in the Premier Academy League, foreign players were technically superior. Secondly, however, there was agreement that the indigenous players and the English game could be defined by the combined attributes of pace and power.

Within this framework coaches suggested that a very definite exchange of skills was identifiable. They argued that whilst indigenous players could develop the technical aspects of their game whilst working with technically superior foreign players, so too could foreign players develop their skills to adapt to the increased pace and power of the English game. This exchange of skills was summed up by one of the academy coaches:

“There’s a transfer, there’s an obvious transfer, because they [foreign players] will come and people will put them on a pedestal and say that they are technically more gifted . . . but they have to come in and get up to the speed of our game and learn to do everything that they do at our intensity, our tempo. But we have the transfer the other way of their calmness on the ball, the creation of space, that first touch, their decision making . . . it works both ways, and to simplify it, I think it’s a physicality one way, and a technicality the other way”.

The coaches were fairly clear with respect to how they felt the exchange of skills occurred between the foreign and indigenous players. For the foreign players, the exchange of skills was derived more so from their involvement in the English game. However, it should be bourn in mind that the defining aspects of that game are perpetuated through the indigenous players within it. For the indigenous players, the development of technical skills occurred more deliberately. Indeed, one coach used words such as 'learn', 'copy' and 'emulate' to describe how the exchange of skills occurred from foreign players to indigenous players.

5. Feet-Exchange: Some Observations

This initial pilot study has presented some interesting data with respect to the involvement of foreign players in the Premier Academy League. Whilst the involvement of a leading Premier Academy League club has permitted the micro study of foreign player involvement 'on the ground' so to speak, the involvement of senior figures at the Premier League has provided a macro overview of foreign player involvement in the Premier Academy League.

A number of themes have developed out of this study. The statistical element of the study has shown that, relative to its senior counterpart, the recruitment of foreign players to the Premier Academy League is very small. It will be interesting to conduct an ongoing longitudinal analysis of recruiting patterns into the league to establish if these figures change over time. It will also be important to establish the level to which opportunities are available for indigenous players to graduate to first-team football in the Premier League and Football League, or whether these opportunities are genuinely stifled given the numbers of foreign players involved at senior level.

Beyond the statistical analysis, this pilot study has shown that, at various levels, the recruitment of foreign players does not appear to act to the detriment of indigenous talent. On the contrary, it would appear, from the data presented here at least, that the involvement of foreign players actually enhances the development potential of indigenous players.

At one level this development occurs through the work-ethic that foreign players possess. The coaches interviewed were in agreement that foreign players somehow 'wanted it more'. On this basis, the working practices and the intensity of commitment of the indigenous players were challenged. As the indigenous players responded to this challenge, so the overall level of commitment was enhanced. On another level, further exchanges of skills occurred. For the foreign players this exchange occurred as these players learnt to cope with the pace and power of the English game and its indigenous players. For the indigenous players the exchange occurred at a technical level. By emulating the technically superior foreign players coaches argued that the technical ability of the indigenous players improved.

Given the various exchanges which have been identified, benefits can be felt on a number of levels and in a number of ways. From this pilot study at least it should be concluded that the involvement of foreign players in the Premier Academy League does not reflect processes of feet-drain, but, rather, feet-exchange. It will now be necessary to expand this study to include as many of the Premier Academy League clubs as possible. By expanding the project in this way it will be possible to capture the full complexity of foreign player involvement in the Premier Academy League.

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The Effects of ‘Feet Drain’ on the Italian Football Academy System

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Abstract

The aim of this paper is to illustrate the concept of ‘Feet Drain’ from Italian football clubs to foreign clubs, in particular to English football clubs. For this reason, three specific levels of analysis have been taken into consideration. The first level of analysis presents an overview of the Italian youth academy system. The second level of analysis provides an overview of the rules of the Federazione Italiana Gioco Calcio (FIGC – the Italian Football Association) and FIFA regulations, and considers how the legal framework in Italy does little to prevent the transfer of young players abroad. Particular focus is given to the status of young players who are over 14 years of age and who are registered with professional clubs. The third level of analysis presents the results of interview data with youth players that left Italian football clubs to move abroad. This paper concludes by stating that greater alignment between Italian domestic rules and FIFA rules appears desirable as it could prevent further cases of the ‘feet drain’ phenomenon from Italian football clubs to foreign clubs as well as address inconsistencies with EU law.

*Giambattista Rossi is responsible for the overview of the Italian youth academy system; Luca Ferrari and Tommaso Tamburino wrote the overview of the rules of the FIGC and Fillipo Ricci wrote the section on youth player movements in Italian football

1. Introduction

The 'Feet Drain' phenomenon is commonly referred to the trade of players from underdeveloped countries to developed ones within the football industry. Nevertheless, it can also refer to player transfers between clubs from within developed countries although this has drawn less attention. In Italy, the issue whereby young Italian football talents move abroad to sign their first professional contract has been recognised only after the prominent performance of some Italian youth players. Italian clubs, supported by the media, have long accused foreign clubs of poaching young prospects that have been patiently nurtured in their academy systems. In Spain, the same debate has been less heated as the number of young players leaving the country has been less than in Italy, although the decision of a Spanish civil court in October 2007 ordered the former Barcelona youth player, Fran Merida, to pay €3.2 million in compensation to Barcelona for breach of contract when he signed for Arsenal in 2006.

The aim of this paper is to illustrate the concept of 'Feet Drain' from Italian football clubs to foreign clubs, in particular to English football clubs. For this reason, three specific levels of analysis have been taken into consideration. The first level of analysis presents an overview of the Italian youth academy system. The second level of analysis provides an overview of the rules of the Federazione Italiana Gioco Calcio (FIGC – the Italian Football Association) and the regulations of FIFA, and considers how the legal framework in Italy does little to prevent the transfer of young players abroad. Particular focus is given to the status of young players who are over 14 years of age and who are registered with professional clubs. The third level of analysis presents analysis of interview data with youth players that left Italian football clubs to move abroad. This paper considers how in some cases it is arguable that youth players have been lured away from their original football clubs with the prospect of an attractive contract.

2. The youth academy system in Italian football

Like any other company, football club competitiveness is based on innovation. In this case, innovation can be understood as the ability to improve standards of on-pitch performance. This type of innovation should help to preserve or increase club competitiveness based on its “own sporting resources” through reliable athletes (Baroncelli, 2004). Within the football industry, professional football clubs have historically focused primarily on the first team and the transfer market has been considered the main strategy in which to improve on pitch performance. This is in part due to the fact that consistent investment in a youth academy does not guarantee sporting success as it is not a reliable way to produce youth players that will succeed in the first team. Moreover, a characteristic that has been the case for a long time and still characterizes market transactions is the level of informality (Baroncelli, 2004); football transfers are carried out through consolidated networks amongst clubs often based on personal relations between sporting directors, chairmen and player agents. Despite the formation of these networks, these pseudo alliances are often interrupted due to the turnover of sporting executives and the frequent changes in club ownership. However, this informal network mode of operation in existence at the majority of football clubs could be improved by making more stable and beneficial inter-relationships in addition to a strategic focus on the development of the youth academy.

Following the Bosman ruling, many clubs in Italy have diminished their interest in developing their academies believing that the structural investments or costs related to the development of new talent does not create an adequate return both in sporting and financial terms. The increasing new sources of income that have become available to football clubs from the early nineties have inevitably reflected escalating and disproportionate investments through the players’ acquisition, coupled with their exponential salary increase. However, the Italian football industry has experienced a period of profound crisis in recent years due to decreasing revenues from the sale of broadcasting rights. In Italian football, broadcasting revenues are the primary revenue source therefore the extreme volatility has made the financial situation untenable for many football clubs (Deloitte, 2003). The spiraling wage and fee inflation have exposed Italian clubs to financial strains and the

transfer market has only been sustained by a few of the major Italian clubs. In this crisis scenario that characterizes Italian football, a management strategy focusing on the investment in youth can help to reorganize and contain costs. Moreover, in relation to the introduction of the UEFA license, it becomes even more important as careful financial management is a key issue within the industry. Hence, football clubs in Italy have rediscovered the importance and vital role of their academies.

The process of identifying, attracting and the subsequent training of young talent can lead to considerable economic advantages in three ways. First, the development of youth players does not require a football club to pay a transfer fee for the services of a player. Secondly, this means that there is no depreciation on the transfer fee value of a youth player given that a transfer fee has not been paid, and third, it can reduce wage costs given that a youth player is unlikely to have the same wage demands as an experienced professional. Although the buying of playing talent can reduce the potential risk of failure, the transfer market can often result in high transfer fees. Conversely, players coming from the youth academy can be promoted into the first team through particularly advantageous contracts for the club.

2.1. The role of the national association, leagues and football clubs in the Italian youth academy system

The major actors regarding the training of young athletes are national associations, sports clubs and other private structures that play various roles. The different interaction amongst those parties determines the models adopted by training centres. In Europe there are heterogeneous training models for each different sport that are determined by the aims and objectives pursued at professional and amateur levels in line with the financial resources provided by private and public institutions.

In the football industry, the predominant training centre model relies on private funding and football clubs are usually the principal actors in most European countries. FIFA has estimated that the costs of training a football player

enrolled in a professional club training centre is up to approximately €90,000 per year. In other sports, especially those in which individual athletes compete rather than team sports, their respective federations or associations are the main contributors with a small contribution from private entities.

There are a number of exogenous forces in play that act upon clubs that influence the continued operation of youth development schemes (Monk and Olsson, 2006). For example, if a football club plays in the top national league and wishes to enter UEFA competitions then they have to demonstrate that they are involved with some form of youth development. Moreover eight players out of the 24 man first team squad entered for UEFA competitions (Champions League and Europa Cup) must be 'home grown' and this means that the club has to respect the UEFA homegrown players rule.

For football clubs playing at different levels, there are at least two possible explanations for their commitment to run youth academies. One possibility is that the existence of an academy might be seen as desire to establish a reputation for developing talented youth players, in which case it represents a significant undertaking and demonstrates club ambition. Reputation effects are often held to be important in labour markets and it might be inferred that, outside of the top league, nearly all of the clubs operating academies and playing in the minor leagues wish to send out a signal in the appropriate labour market for trained footballers to the effect that they harbour serious ambitions to get promoted to the premier national league. More generally, football clubs run academies to bolster their civic reputation in a given town or area.

A second reason concerns the level of subsidy that clubs can receive. For instance, currently clubs running academies within the Football League in England are eligible for an annual subsidy from the Football League Trust. However, while the level of grant funding available to Football League clubs collectively totals £13.2 million, the level of investment made by the same clubs in youth development continue to flourish standing at more than £40 million (www.football-league.co.uk).

Another explanation of the prominent role of football clubs is that the football industry represents a large market at professional level. The football industry is characterized by a very high number of licensed players and in almost every country most professional clubs run football academies and select and screen several youth players continuously. Therefore the football industry is a very competitive sector. In Italy, the total number of youth teams run by the 20 clubs in Serie A clubs is 225, with almost 5400 young licensed players (tables 1 and 2).

Table 1: Youth teams and youth players distributions in Serie A clubs

Seria A (20 clubs)	Total number of teams	Total number of players	Average number of players per team
Primavera	20	498	25
Beretti/Juniores	7	153	22
Allievi	36	838	23
Giovanissimi	54	1216	23
Esordienti	43	914	21
Pulcini	53	1103	21
Scuole Calcio	12	653	54

Source: www.lega-calcio.it

In Serie B, the total number of youth teams is 197, with almost 4200 young players registered (table 2).

Table 2: Youth teams and youth players distributions in Serie B clubs

Seria B (22 clubs)	Total number of teams	Total number of players	Average number of players per team
Primavera	22	548	25
Beretti/Juniores	2	42	21
Allievi	38	846	22
Giovanissimi	44	972	22
Esordienti	33	724	22
Pulcini	31	441	14
Scuole Calcio	27	597	22

Source: www.lega-calcio.it

Outside the competitive transfer market, many Italian clubs have also developed privileged cooperative agreements with affiliated amateur clubs in Italy and abroad. In total, there are more than 1200 teams with 21,433 players affiliated through cooperative agreements with Serie A clubs within the respective city regions. Outside of the city regions, the number of teams that have cooperative agreements or affiliations is 1151 with a total of nearly 20,000 young players. For Serie B clubs, the same data shows that there are almost 800 teams with more than 17,000 players in the city regions, while outside of the cities there are 448 teams that have cooperative agreements or affiliations for a total of nearly 10,000 young players (table 3). In total, the players directly licensed by Serie A and Serie B clubs and their affiliates are more than 77,000, and there are a total of 4,000 youth teams.

Table 3: Young player distributions in Serie A and Serie B clubs and their affiliated clubs

	Clubs		Clubs affiliated or in partnership			
	Total number of teams	Total number of players	Provincial clubs	Total number of players	Clubs out of the province	Total number of players
Serie A	225	5375	1224	21443	1151	19834
Serie B	197	4170	775	17068	488	9618
Total	422	9545	1999	38501	1639	29452

Source: www.lega-calcio.it

Finally, it would be erroneous to forget the role of national associations as training systems in football are also characterized by the level of direct action from the national associations through the organization of national and regional training centres. In more than half of the European countries (14 out of 27), the role of the national association is limited to training camps for the junior national teams that are organized for a limited period of time such as, for example, in Italy, England, Spain and Germany (Home Grown Player Rule, 2008). Conversely, some national associations play a more significant role

gathering together some of the best players in the country on a permanent basis such as, for example, in France, Romania and Poland.

In Italy, the national association for football, the Federazione Italiana Gioco Calcio (FIGC), wanted to re-structure the organization of the national teams using the model of a football club as the benchmark, in which the national team is naturally the primary team on which all the other teams depend - from the Under 21 team to the youth teams - as far as functioning and organizing are concerned. For this reason, *Club Italia* is the organization that was approved in November 2002 by the FIGC Federal Board with the task of “unifying and coordinating the management of all the national teams”.

The FIGC also promotes, organizes and disciplines football activities at grass roots level through the Youth and Scholastic Sector which has the objective to promote the educational and social role of football. To achieve these objectives and to monitor and organize the activities, there are federal centres, while peripheral activity at the regional, provincial and local level is conducted by hundreds of volunteer managers and technicians with organizational and promotional duties.

Table 4: FIGC Youth and Scholastic Sector in numbers

Football Season 2006/07	
Number of teams	48,165
Number of clubs	8,659
Number of licensed players	720,212
Number of football schools	6,880

Source: www.settoregiovanile.figc.it

Table 4 indicates that the activities conducted by the Youth and Scholastic Sector involves 8,659 clubs, 48,165 teams, and 720,212 licensed players from the age of 6 to 16, and can be configured in three different parts:

- 1) Basic activities to promote and educate groups of kids from the age of 5 to 12. Here, together with the Technical Sector of FIGC, the structure of the

Youth and Scholastic Sector plans, coordinates and monitors the rules and regulatory issues, covering in particular the activities of children belonging to categories *Piccoli Amici* (5-8 years), *Pulcini* (8-10 years) and *Esordienti* (10-12 years).

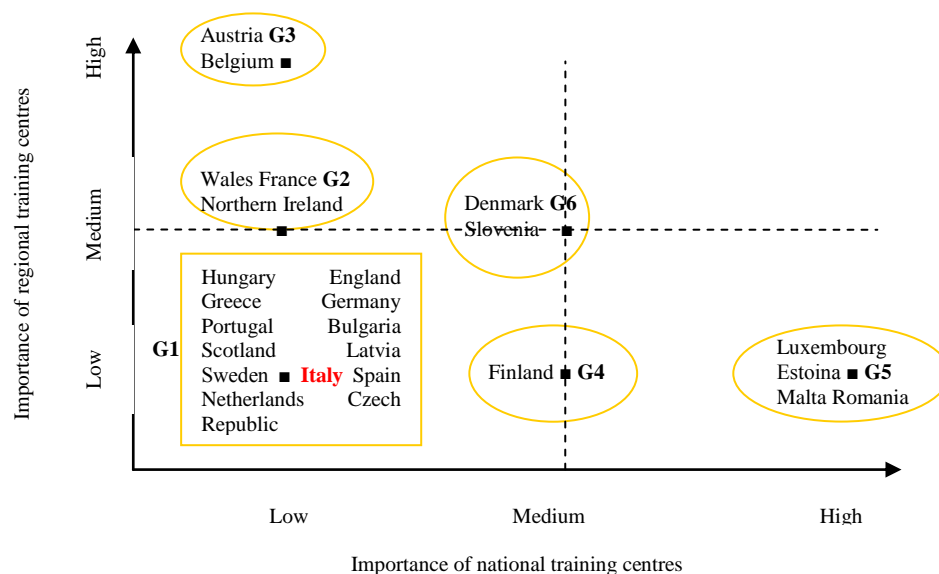
- 2) Activities for young players from the age of 12 to 16. Here, the activities organized are referred to the category of *Giovanissimi* (12-14 years) and *Allievi* (14-16 years).
- 3) Educational activities at school. Here, the commitment of the Youth and School Sector is in the planning of the projects, in collaboration with the educational institutions, aimed at realizing activities that lead the youngsters to enjoy sport peacefully and have fun.

For the basic activities, almost 3,900 football schools are officially recognized by the FIGC, operating throughout Italy. In addition to its institutional commitments, the Youth and Scholastic Sector is responsible for training and updating coaches at youth level. Each year the Technical Sector in collaboration with the Youth and Scholastic Sector and the LND, the national amateur league, run courses through which coaches are trained for basic activities. Even in the school sector there are organized training courses and information reserved for teaching elementary physical education from schools of all levels.

There are three federal centres in Rome, Catania and Tirrenia wherein the unique football schools are managed directly by the Youth and Scholastic Sector. Their task is to promote, initiate and test more favorable technical and teaching procedures for the football practice. They also provide workshops for technical exchanges mainly for clubs operating at youth level. All clubs with the basic youth team categories can request to their respective provincial committees to take part in the teaching activities in one of centres. Clubs may also require a comparative and technical assessment of their educational methodology. At these meetings the federal coaches and instructors usually

illustrate the federal education programs and teaching methods for the basic categories or teams.

Graph 1: Typological ranking of countries regarding the importance of national and regional football training centres



Source: http://ec.europa.eu/sport/library/doc486_en.htm

Graph 1 illustrates that Italian football is characterized with a low degree of importance in respect of the national and regional training centres. Apart from France, all the largest football countries in Europe (England, Germany, Spain and Italy) are characterized by the strong involvement of football clubs in the development of youth players, as was stated earlier.

2.2. Specifications and labels for training structures in Italian youth academy

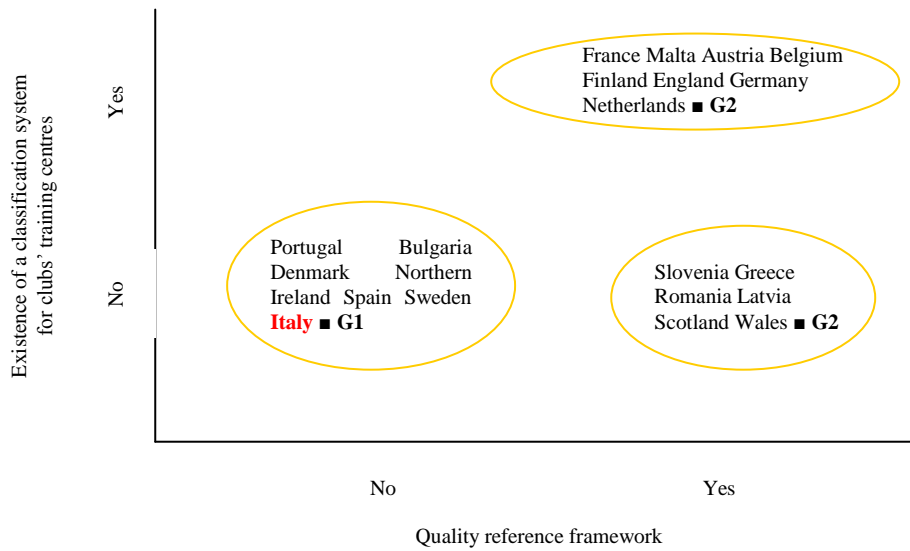
Training structures must usually comply with certain quality criteria in regard to issues such as the training facilities, the skills of the staff, the relationships with local schools, and medical facilities. These specifications differ from one country to another. Various actors are responsible for developing the quality criteria; in some countries, ministers and associations of different sports may

define the general legal environment which includes the criteria for training structures aimed at protecting minors and young athletes and making sure that they can benefit a good school environment while they are training. In other cases, national associations decide by themselves to set up the criteria for their own training structures generally aimed at improving the training framework and programmes for high level athletes.

In the football industry, since the 2004/05 season all the clubs participating in UEFA competitions have had to go through the UEFA Licensing system based on a series of defined quality standards. The requirements of the UEFA license must be fulfilled in order for a club to be admitted to any of the UEFA club competitions. The minimum requirements cover the areas of sporting requirements (e.g. coaching and youth development); infrastructure (e.g. safety and security); human resources (e.g. presence of a general manager, club secretary, financial officer, and head of youth development); administration; legal; (e.g. club statutes); financial matters (e.g. audited financial statements) and adhering to a code of practice (e.g. child protection, equity issues, community involvement).

In some countries, quality criteria are high compared to those applicable in other member states. Graph two illustrates that some national associations rank their training centres into different categories depending on the number of quality criteria they fulfill and/or sports performance. Italy is amongst those European countries that do not have criteria or any particular specifications relating to the organization and operation of youth academies at professional football clubs aside from the UEFA Licensing System that applies to clubs involved in UEFA competitions. Clubs in Italy therefore have the flexibility to determine how to organize their training programmes and additional football activities in relation to the youth academies. This is different from England where every Premier League academy and centre of excellence has to obtain a license that is an indicator that the club has reached a certain level of professionalism and quality in respect to specific criteria. This license is valid for 5 years.

Graph 2: Typological ranking of countries regarding the existence of a classification system and a quality reference framework



Source: http://ec.europa.eu/sport/library/doc486_en.htm

In Italy, there is no license for youth academies although it is automatic that clubs run academies and accept general guidelines on their organization and operation. For example, 30 clubs (71%) in Serie A and Serie B provided education supervision and school tutoring to their youth academy players during season 2007/08 (table 5).

Table 5: School supervision and tutoring for Serie A and Serie youth academy players

	SERIE A	SERIE B
Young players' studies supervision	16	14
No young players' studies supervision	3	7
N. A.	1	1
Total	20	22

Source: www.lega-calcio.it

A plausible explanation to the two different approaches might be found by the fact that football academies and centres of excellence receive direct grants in England (www.latham.cornerkicksystems.com). It has been suggested that 3.3% (estimated at £66 million in 2005/06) of the total expenditure of professional football is allocated by the 'industry' to the development of youth players. Youth player development activities at many Football League clubs rely considerably on annual grant aid by the FA, the Premier League and the Football Foundation. Hence, the English football authorities require a constant assessment of how the grant aid is distributed. Clubs are also required to run their academies through a licensing system that complements the requirements in the UEFA license. Conversely, in Italy there is not an official grant aid programme for youth academies and this allows football clubs the flexibility to run their academies in respect of general and basic guidelines rather than adhere to mandatory requirements.

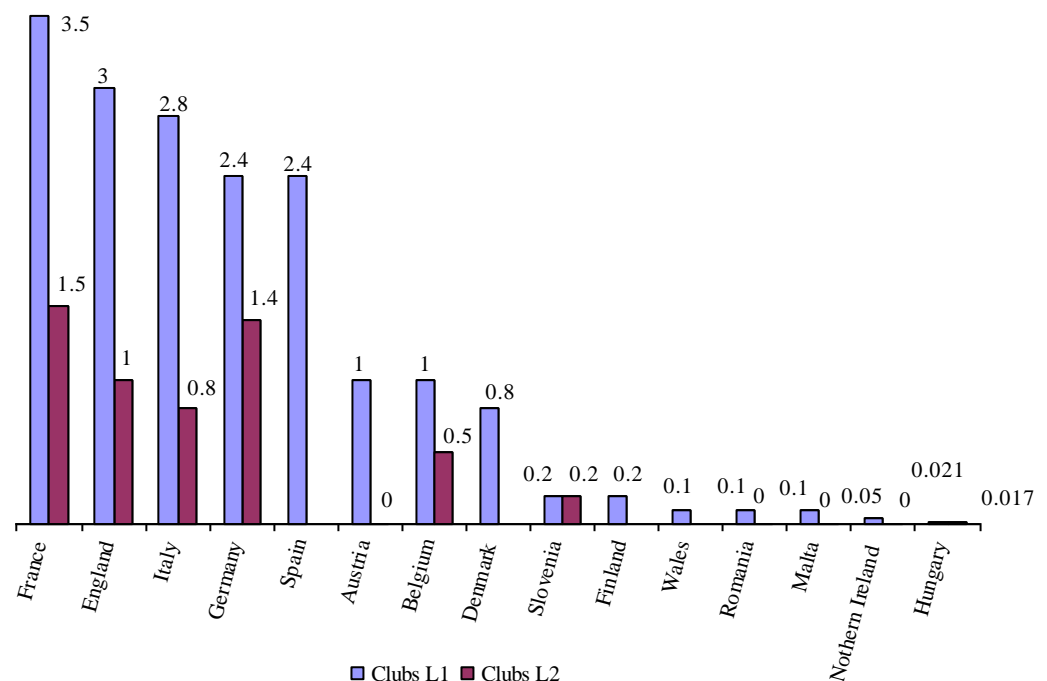
2.3. Youth academy investments by Italian Serie A and Serie B clubs

The quality and performance of the training that youth players receive depends on several factors: the organization of training; the club tradition and culture for the training of youth players; and the level of youth talent that they have when they enter the system. Nevertheless, the training of youth players is also highly dependent on clubs' financial investment toward their youth academies that is crucial to maintain quality facilities, provide high qualified staff, offer strong school support and other services, and provide quality medical support. In addition financial support is also important to be able to attract talented young players to the training centres.

The level of investment in training centres strongly depends on clubs' financial resources. However it is also dependent on the strategic choice made by a club and on their tradition for youth development programmes. The largest European leagues which generate the most significant revenues are comfortably leading the rankings in terms of average investment in training centres. The estimated annual budget for an average training centre in the largest European leagues is around €2.5 to €3.5 million (graph 3). The level of

investment in French training centres is a good example. French clubs' spending on youth development is the largest in Europe, while they rank fifth in levels of turnover of professional clubs. Second level clubs from the largest European countries invest, on average, comparable amounts to first level clubs from smaller countries like Austria, Belgium or Denmark. Conversely, in countries where the football industry is less developed, clubs do not invest much in the training of young players and this is estimated to be less than 200,000 Euros for the average club.

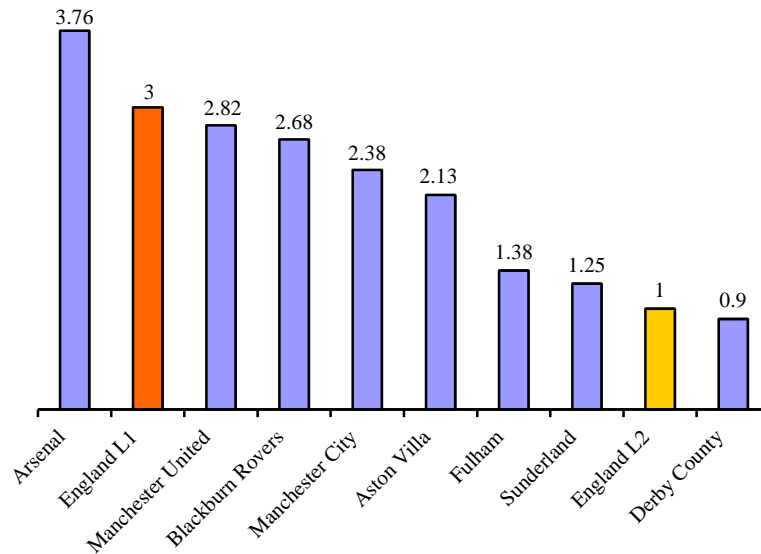
Graph 3: Average budgets of the training centres of EU professional football clubs in first and second divisions (in millions of Euros)



Source: http://ec.europa.eu/sport/library/doc486_en.htm

Just as there are large differences at the European level, there can also be very different levels of investment within a given professional league. Again, the gap between clubs is partly linked to the budget of each club. For example, In England, Arsenal invests around 4 times more in the training of young players than a club like Derby County (graph 4).

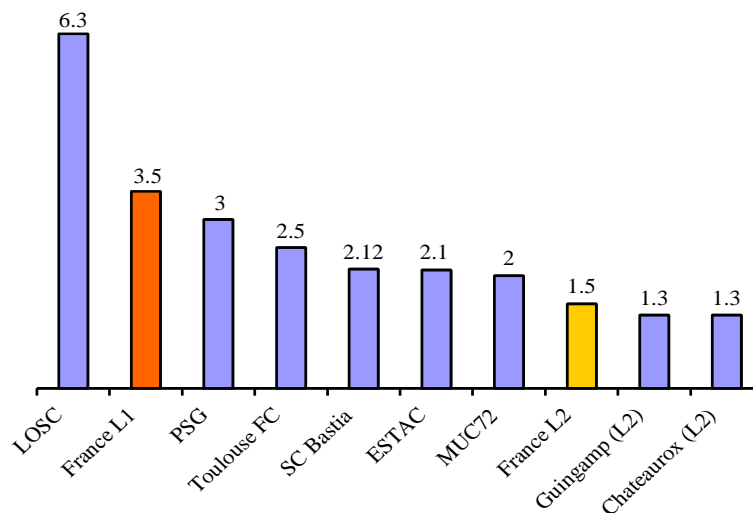
Graph 4: Budget of English football clubs academies (in million of Euros)



Source: http://ec.europa.eu/sport/library/doc486_en.htm

However there are some clubs that choose to invest a larger percentage of turnover in youth development. For example, in France, Lille invests around 5 times more in the training of young players than clubs like Guingamp or Chateroux, who still invest much more than most of European Clubs (graph 5).

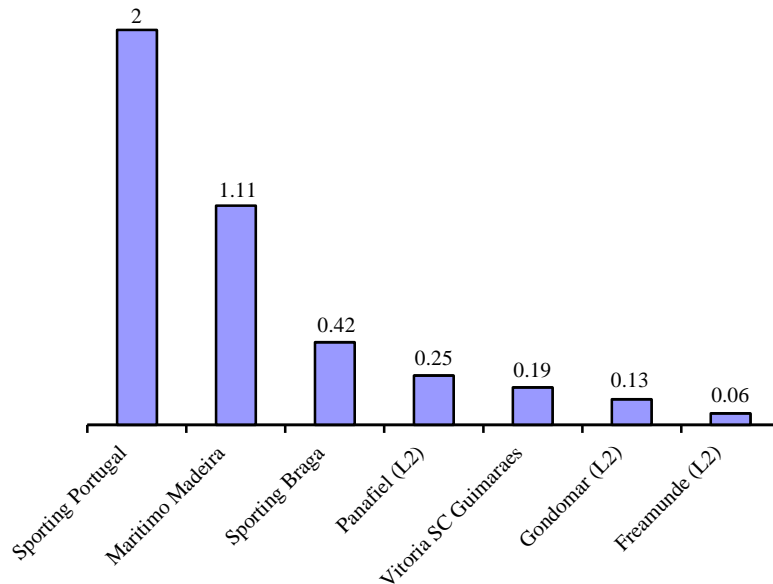
Graph 5: Budget of French football clubs academies (in million of Euros)



Source: http://ec.europa.eu/sport/library/doc486_en.htm

Graph 6 illustrates that in Portugal, Sporting Lisbon, a club which strongly believes in the training of young players, also invests a larger amount of money in the training of young talents than a small second division club.

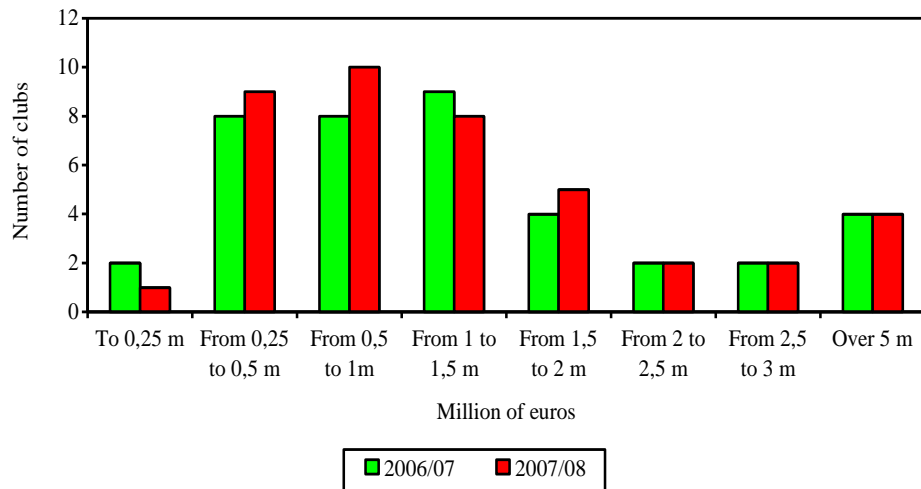
Graph 6: Budget of Portuguese football clubs academies (in million of Euros)



Source: http://ec.europa.eu/sport/library/doc486_en.htm

In Italy, the average expenditure that clubs in Serie A made on their youth academies was €2,187,000 in the 2007/08 season, slightly higher than the previous season (€2,162,500) (Lega Calcio, 2008). The average expenditure of Serie B clubs on their academies was €789,773 in the 2007/08 season, a slight increase compared to expenditure of €767,045 the previous season (Lega Calcio, 2008). Fiorentina, Inter, Juventus and Milan are the biggest investors in their youth academies with an average budget of around €5 million a year. However what is more relevant is that the number of clubs that invest more than €1 million has increased (graph 7).

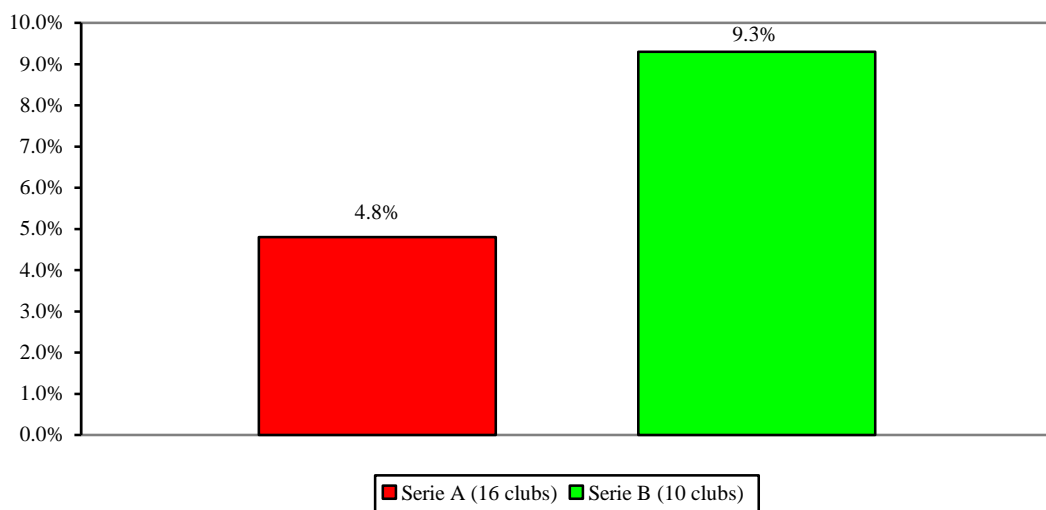
Graph 7: Youth academy investments in Serie A and Serie B clubs (41 clubs)



Source: www.lega-calcio.it

It is also interesting to note that Serie B clubs have focused more investment on their youth academies in relation to turnover than clubs in Serie A (graph 8). 9.3% of their turnover is invested through their academies while Serie A clubs invest 4.8% of their turnover.

Graph 8: Youth academy average direct investment by Serie A and Serie B clubs in relation to total turnover: 2006/07 season

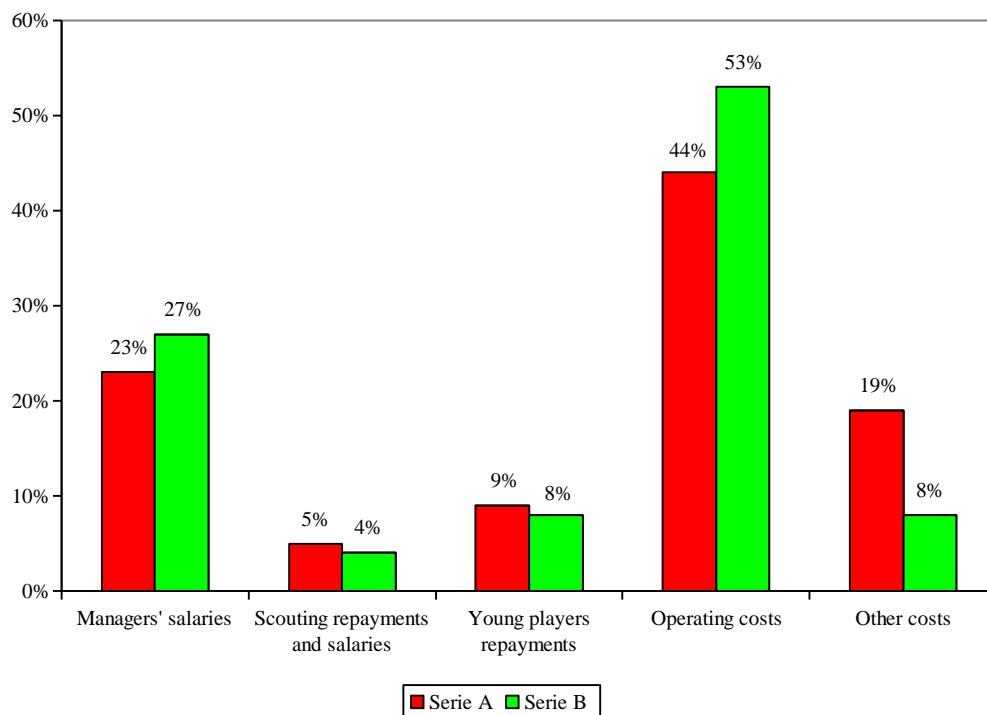


Source: www.lega-calcio.it

This is a direct result of the 'Serie B project' (www.calciopress.net) that aims to reduce clubs' costs partially through a series of parameters related to the number of players in the first team squad and the increased use of youth players. For example, a recommendation is that the team roster is reduced to between 19 and no more than 21 players. There are no limits regarding the number of under 21 players to include in the team roster provided that they have played for at least three years in the youth academy teams (even if they have been transferred on loan), and have been licensed between the ages of 14 and 21.

An interesting perspective to consider is in relation to the investments that clubs make in their training facilities and their services. Graph 9 reveals where the investment made by Serie A and Serie B clubs in their youth academies are spent.

Graph 9: Youth academy costs: Serie A and Serie B clubs in 2006/07 season



Source: www.lega-calcio.it

It illustrates that approximately half of the investment is used to contribute towards operating costs. This reveals the high costs that clubs face just to run

their training centres. This obviously can have an impact on the levels of investment for scouting that is a relevant and important aspect for an academy. Nevertheless, it is remarkable that the investment on managers also represents a considerable share and it might reflect a general belief that managers are the crucial aspect of an academy. Comparing Serie A and Serie B distributions, the distribution of costs amongst the different aspects of youth academies is very similar. However what is clear is that Serie B faces slightly higher operating costs while Serie A clubs spend more on other costs.

It is possible to argue that services provided inside the training centre are not fully provided by clubs, particularly at Serie B clubs. Although the quality of services provided inside a training centre is not directly related with the quality of training and the results obtained by the academy, there are still many improvements that Serie A and Serie B have to provide to their young athletes. This perspective reflects the previous trend in the nineties where academies were partially abandoned in favour of a strategy based on players' acquisition in the transfer market.

Table 6: Training centre services in Serie A clubs for youth academy players

Serie A (20 clubs)	Own	Rent, leasing etc.
Regular training pitch	33	72
Small training pitch	17	40
Indoor training pitch	10	15
Club residence (players host)	2 (49)	19 (359)
Bar	5	4
Restaurant	5	9
Game room	3	7
Reading room	4	14
Tv room	5	15
Buses for players' transport	51	75
Internet point	5	30

Source: www.lega-calcio.it

Table 7: Training centre services in Serie B clubs for youth academy players

Serie B (22 clubs)	Own	Rent, leasing etc.
Regular training pitch	1	75
Small training pitch	0	57
Indoor training pitch	2	23
Club residence (players host)	0	17 (171)
Bar	1	4
Restaurant	0	12
Game room	0	2
Reading room	1	9
Tv room	2	3
Buses for players' transport	57	39
Internet point	4	2

Source: www.lega-calcio.it

Lega Pro, the league of the third and fourth divisions in Italian football (Serie C1 and C2), has encouraged the promotion of young players through direct financial contributions to its affiliated clubs (www.calciopress.net). For this reason, the league has lowered the age limit of young players from 23 to 21, increased the number of young players licensed from the clubs academy allowed to be part of clubs' rosters, and has aimed to reduce the dependency of young players' loans licensed by Serie A and Serie B clubs. The rules have also required that young players should play at least 30 minutes in an official League match in order to get access to League contributions. If the debutant is licensed directly from the same club's academy, there is a 20% increase in League contributions to the club. This does not apply to players that are on loan from other clubs or that are not Italian. Moreover, the last three leagues matches of the season are not considered valid for the requirement of the League contributions. Finally, Lega Pro has also established a maximum cap for players older than 21; clubs in Serie C1 are allowed 18 players while clubs in Serie C2 can have a maximum of 15 licensed players.

It is also worth considering that the solidarity payments managed by UEFA led to the distribution of €43.2 million to the major leagues in 2007 (www.uefa.com). In particular, countries that had teams in the Champions

League in 2006/07 got €36 million in total, while the other UEFA member countries received €7.2 million. For example England and Italy received €6.515 and €6.465 million respectively. Recently, the solidarity percentage for clubs not taking part in the UEFA Champions League increased from the current 5% to 6.5% (www.ecaeurope.com). Based on the current revenue projections, this means that in the season 2009/10 approximately €55 million would be made available for re-distribution to these clubs via the national associations and professional leagues, which is approximately €23 million more than the last season of the previous cycle. Including the additional allocation also made available to clubs from leagues with no participants in the UEFA Champion League, the solidarity pot will amount up to approximately €67 million. One key function of the solidarity payments linked to the Champions League is to provide support for the youth sector in professional football and is linked to other initiatives such as the UEFA license for clubs and the introduction of rules that favour the development of local, home-grown players. Every league and its respective associations are responsible for the subsidy distribution to the clubs. In order to receive payments clubs must, among other things, comply at least with an approved program for their youth academy, according to the UEFA club license. It also must not have taken part in the Champions League.

3. The Legal Background to 'Feet Drain' in the context of Italian Football

The status of young football players registered with Italian clubs is set out in the Internal Rules of the FIGC. The Norme Organizzative Interne Federali (N.O.I.F) provides a detailed description of the regulations and the limits within which clubs can register youth players. For young amateur players, clubs can only use a 'seasonal registration' for players aged 8 to 14 years old, which means that at the end of the season the player is free to be registered with any other club. This also applies when the player is registered with a club whose senior team plays in a professional league. After the player turns 14, an amateur club is allowed to use a registration that binds him until the season of his 25th birthday, after which the athlete has to be registered again on a seasonal basis. This rule is highly criticized. Indeed, in this manner

amateur players are subject to a bond that is paradoxically longer than if they were professionals.

When a youth player turns 14 and is registered with a professional club, FIGC rules provide that he acquires a particular status, defined “young player of series”⁵, which binds him to the club at least until the end of the season of his 19th birthday. This status consists of an ad hoc set of rules, the rationale of which is to allow clubs to train young players on a long term basis, protecting and somewhat guaranteeing a return for the investments made to those ends. Clearly, this should also work as an incentive for clubs to spend their resources on the development of youth players. This set of rules may be split into the following three groups: (i) rules imposing restrictions regarding young players’ transfers and their first employment contract; (ii) rules providing compensation due to the clubs that trained and developed the young players; (iii) rules setting out quotas of home grown players in senior teams.

3.1. Transfer restrictions: in particular, the right to a first employment contract

As illustrated above, youth players registered with a professional club (Serie A, B, C1 and C2) at the age of 14 acquire the status of ‘young of series’, which ties them to the club until the season during which they reach 19 years of age. In a hypothetical ladder, the status of ‘young of series’ precedes the status of professional, which is only acquired by the player when he enters into an employment contract with a club participating in a professional league. During their last season under ‘young of series’ status, the player become party to a particular relationship defined as a ‘technical training relationship’, which entitles them to receive an indemnity. For a club playing in Serie A, the indemnity amounts to a minimum of €1,000 per month. At the end of the technical training season clubs can hire the players on their first employment contract, which may not exceed three years. For the sake of clarity, it must be

⁵ In Italian, “Giovane di Serie”. The discipline of the young player of series is set out at article 34 of the Association Internal Rules.

noted that, by way of express legal provision, the technical training relationship does not amount to the acquisition of the status of professional.

As an alternative to entering into a contract at the end of the technical training relationship, clubs can also offer an employment contract to the 'young of series' at any time after the season of their 16th birthday. However in this case, the duration of the contract cannot exceed beyond the season in which the player reaches the age of 22. Moreover, the 'young of series' automatically acquire the status of professional and the right to an employment contract when they have participated in a certain number of official games (for Serie A clubs, at least ten games in the Italian Championship or in the 'Coppa Italia'). This rule is designed for those young footballers who have proven their maturity for senior levels 'on the field'.

Nevertheless, there is a substantial difference between the two cases. When an offer is made at the end of the technical training relationship, more precisely during the last month of the season, it is provided on the basis that clubs have the right to enter into the first employment contract with their own 'young of series'. This means that if the club for which the young player is registered makes him an offer of employment during the technical training relationship, the player is legally bound to accept it, whether the offer is convenient or not. The offer should therefore also be at the minimum wage established by the footballers' collective bargains, which is set at €1,800 per month in Serie A. Should the player refuse this offer, in principle he could not accept any offers made by other Italian professional clubs, as this would amount to a breach of the right to first employment held by the club that has carried out his training and development. In fact, the club could file the player's first contract at the FIGC offices even if the player has not signed it, and this would prevent the same player from registering with another club (either professional or amateur). Evidently, this rule aims at protecting and rewarding the investments that clubs make in their youth programmes, preventing more wealthy clubs from stealing the best young players from the clubs that developed them by submitting a better offer as soon as they have achieved the maturity to compete at senior levels.

As opposed to the above, the club and the young player may freely negotiate and enter into a contract before the season of technical training relationship. Although this is apparently an inconvenient option for clubs, in fact it is their only defence against the assaults made by foreign clubs to young domestic promises. This will be explained in more detail in the following paragraphs.

3.2. *Training and development compensation*

The aim of compensating and acknowledging investments made by clubs in youth teams is pursued by FIGC rules that acknowledge the club's entitlement to ad hoc rewards when the players achieve certain results during their career. Three kinds of rewards are foreseen:

- (i) **Training reward:** to be paid by the registering club on the first registration as a 'young of series' for a player who was formerly registered as a young player with an amateur club (payment due to all former clubs where the player was registered);
- (ii) **Training and technical development reward:** to be paid by the professional club upon the signature of the player's first employment contract (payment due to the club where the player performed his last amateur or youth season⁶);
- (iii) **Career reward:** to be paid by the current professional club on the first match played in Serie A or first match played with the National Senior or under 21 team (payment due to all amateur clubs or football academies for which the player has been registered as a young player).

3.3. *Quotas of home grown players*

⁶ For young of series, this latter case implies that no employment offer was made by the training club.

The FIGC has also adopted rules imposing quotas of home grown players in professional club rosters. Current regulations draw a distinction, within the general concept of home grown players, between locally trained players, aged 15 to 21 years old, who have been registered with the same FIGC club for three seasons or 36 months (which do not have to be consecutive), and association trained players, aged from 15 to 21 years old, who have been registered with different FIGC clubs for three seasons or for 36 months, (which do not have to be consecutive). Based on this distinction, the FIGC has imposed the following quotas allocations from the 2007-2008 season:

- team rosters from 26 to 30 players: at least 8 home grown players, with a maximum 4 association players;
- team rosters from 31 to 35 players: at least 8 home grown players, with a maximum 5 association players;
- team rosters from 36 to 40 players: at least 9 home grown players, with a maximum 5 association players;
- team rosters from 41 to 45 players: at least 10 home grown players, with a maximum 6 association players;
- team rosters from 46 to 50 players: at least 11 home grown players, with a maximum 6 association players.

Similar rules have also been adopted at the European level through the implementation of the UEFA licence which includes the home-grown player rule aimed at combating clubs' loss of national identity and safeguarding the education and training of young players. Indeed, FIFA's proposed 6+5 rule, which means that six players out of eleven have to be eligible for the national team of the country in which the club is domiciled, is a product of this policy aim. An analysis of the ongoing discussions and of the delicate issues that this proposal involves from an EU law perspective does not fall into the scope of this paper. Suffice to say that the adoption of the 6+5 rule would clearly be much more incisive than the current limitations and would bring an enormous importance and evaluation to the clubs' youth teams. However at the same time it would run the risk of contravening EU law on internal market principles.

4. FIFA rules on the transfer and development of young players

FIFA rules are designed to limit the transfer of underage players and to reward the investments made in youth development by clubs. As the FIGC rules were previously classified into three groups, it is also possible to classify FIFA rules in a similar way: (i) restrictions on international transfers based on age; (ii) rules setting out training compensation; (iii) rules aimed at safeguarding contractual stability.

4.1. Age restrictions on international transfers

Article 19 of the FIFA Regulations for the status and transfer of players provides the general rule that “international transfers of players are only permitted if the player is over the age of 18”. It goes without saying that this age limit is inspired by the objective to counteract the marketing of young players, which is seen as a negative factor that often involves abuse and illegal practices on minors⁷.

However, general prohibition would seem contrary to basic values such as the right to pursue happiness, the right to work, and the right to practice sports, and in fact it is limited by the application of three significant exceptions. In particular, the transfer of minor players is allowed in three instances:

- (i) when the player’s parents move to the country in which the new club is located for reasons other than football;

⁷ In this respect, the White Paper on Sport published by the European Commission in 2007 reads as follows: “The exploitation of young players is continuing. The most serious problem concerns children who are not selected for competitions and abandoned in a foreign country, often falling in this way in an irregular position which fosters their further exploitation. Although in most cases this phenomenon does not fall into the legal definition of trafficking in human beings, it is unacceptable given the fundamental values recognised by the EU and its Member States. It is also contrary to the values of sport. Protective measures for unaccompanied minors in Member State immigration laws need to be applied rigorously. Sexual abuse and harassment of minors in sport must also be fought against”.

- (ii) when the player lives no further than 50km from the national border and the club has its registered office within 50km of the border as well;
- (iii) when the player's transfer takes place within the territory of EU/EEA and the player is aged between 16 and 18.

Exceptions (i) and (ii) appear indeed justified by social and practical reasons consistent with the aforementioned values. On the other hand, exception (iii) is likely to be the result of the influence brought on the world of sport by internal market principles. This exception is partly tempered by the requirement that a club registering a young player between 16 and 18 should provide the player with an academic education as well as football education and should make all possible arrangements to ensure that the young player is looked after in the best possible way. However, in practical terms the consequence of the said exception is that the European football market enjoys an area of freedom for players over 16 years old.

4.2. *Training compensation*

FIFA training compensation is inspired by the same rationale that underpins the provision of the domestic compensations, i.e. rewarding the efforts made by clubs in developing their youth rosters. In Annex 4 of Article 20 of the FIFA Regulations of the status and transfer of players the figures of the proportion on which compensation is calculated are set out. However, the discipline of FIFA training compensation differs in many respects from the national provisions.

Firstly, FIFA training compensation is only due up until the season when the player turns 23 years of age. During this period, the entitlement to it is triggered either by the player signing his first employment agreement or by any subsequent transfers. However, in the first instance training compensation is due to all clubs for which the player was formerly registered and that have contributed to his training from the season in which he turned

12, whereas in the second instance it is only due to his last former club for the time that the club effectively trained him.

As a general rule, training compensation is to be calculated on fixed parameters, the amount of which is based on the category in which the purchasing club plays. Notably, the category of the club selling the player has no bearing on the calculation of the training compensation when the purchasing club is of an upper category. However, the Dispute Resolution Chamber has clarified that said parameters can be adjusted when there is clear evidence that they are not proportionate to the case under review, being either too low or too high with respect to the effective training costs incurred in the case at hand. Finally, no compensation is due to the last former club when this club has not offered the player a contract, either the first employment contract or a subsequent contract, except in exceptional circumstances.

4.3. *Solidarity contribution*

The solidarity contribution is a peculiar FIFA provision. The underpinning rationale is to impede clubs from buying and selling players when they are still under a contract, i.e. to safeguard the value of contractual stability in the labour market. Annex 5 of Article 21 of the FIFA Regulations for the status and transfer of players sets out the figures for the proportions on which the indemnity is calculated. Such an objective is not pursued by any specific FIGC rules.

The event that triggers the application of the solidarity contribution is the purchase of a professional player by a club before the expiry of his contract. In this situation, the purchasing club has to pay the solidarity contribution to any clubs that have contributed to the player's education and training, in proportion (around 5%) to the purchase consideration or of any compensation due as a result of the purchase. This means that even compensation due as a result of a breach of contract, such as compensation due as per Article 17 of the FIFA Regulations for the status and transfer of players may trigger the payment of a solidarity contribution. No time limitations (such as the one

described in reference to training compensation, which is due until the season of the player's 23rd birthday) apply in the case of the solidarity contribution. Accordingly, this is applicable throughout a player's career.

5. Comparing domestic and European rules

By comparing the Italian and the European system the discrepancies existing between the two and their consequences can be highlighted. At the national level, youth players registered with a professional club are bound to it until they enter into their first employment contract. Except for particular cases⁸, from the age of 16 to 19, players can only enter into a professional contract with the club with which they are registered. The young player is free to obtain registration and to enter into an employment contract with another club only after the season of his 19th birthday, provided that his club does not offer him an employment contract. If such an offer is made, the player is legally bound to accept it. Should the player either sign with another club before the season of his 19th birthday or refuse the offer made by his club before the end of said season (whatever the offer is within the collective bargaining agreements minimum wages), he would be in breach of his club's right to first employment, with the risk of incurring disciplinary sanctions and being liable for damages. Clearly, such rules leave little or no room for young players to negotiate the terms of their first professional engagement and effectively foreclose any transfer to the Italian clubs without the consent of their club. On the other hand, freedom of choice is left to the training clubs, which in this manner are rewarded for their efforts and investments in the youth sector.

At international level, despite FIFA's general prohibition of transfers of players under 18, the exception that applies in the EU area for players over the age of 16 opens the gate for contractual offers coming from football clubs belonging to different national football associations. Given these premises, and

⁸ This occurs when the player has a temporary registration with a third club, and has achieved the number of official games entitling him to a professional contract. In this case he can obtain employment with the club for which he is temporarily registered, subject to the failure of the club for which he is registered on a definitive basis to employ him as a professional.

considering that obviously the rules of the Italian Football Association do not have any bearing on other national football associations, it must be concluded that the domestic protections provided at FIGC level do not achieve their goals outside the Italian boundaries. Indeed, the 'young of series' status and the technical training relationship are certainly not equivalent to a contract, thus implying that there is nothing to prevent a foreign club from making a contractual offer to a young player registered with an Italian club under those terms. At the same time, players aged over 16 can freely transfer to another European country without the risk of being in breach of FIFA rules nor the rules of the association where they are destined, unless they are under contract with their domestic club. Given the rather unattractive hypothesis of being bound to accept a non-negotiated contract under FIGC rules, the young athlete is highly likely to welcome employment offers from abroad before he turns 19. This is why the only way that an Italian club can secure its young players from offers made by foreign clubs is to put them under contract as soon as possible after they turn 16.

5.1. *Issues from an EU law perspective*

The European Court of Justice (ECJ) jurisprudence has recently affirmed in several decisions that the so called 'specificity of sport' does not generally exempt the world of sport from the application of EU law. The last milestone in this process is represented by the Meca-Medina judgement⁹, where the ECJ maintained that "sport is subject to Community law in so far as it constitutes an economic activity within the meaning of Article 2 EC". Moving on from this standpoint, the Court clarified that the specificity of sport can justify the adoption of rules that would otherwise be in breach of internal market principles only to the extent that the rules in question pursue a legitimate objective and their restrictive effects are inherent in the pursuit of that objective and proportionate to it. Furthermore, the Meca-Medina decision endorsed the principle that national sports associations should be considered as undertakings or as associations of undertakings under the meaning of EC

⁹ Case C-519/04P, *Meca Medina v. Commission*, ECR 2006.

Treaty (article 81). In this respect, it is also undisputed that professional football clubs are undertakings under that meaning.

In the case in question, the distorting effects on the competition among European football clubs created by the interaction of FIGC and FIFA rules appear to be, upon first glance, hardly reconcilable with internal market principles. In fact, as a result, Italian clubs cannot hire a young player registered as 'young of series' unless they come to an agreement for his transfer with the club that holds his registration. In contrast, foreign football clubs are able to deal with the Italian 'young of series' market as free agents, avoiding the competition of Italian clubs and dealing in the market as privileged actors towards their contractual counterparty, the underage player.

In light of the viewpoint expressed by the ECJ jurisprudence, one should ask whether said FIGC rules pursue a legitimate objective and if their restrictive effects are inherent in the pursuit and proportionate to the same. In this regard, the interaction of Italian and European rules indeed results in significantly boosting the migration of young players outside the national boundaries. In fact, where FIGC rules prevent wealthy clubs from exploiting the investments made by smaller Italian clubs on their youth sector, the same rules allow for foreign clubs to act as privileged agents and do precisely that. Ultimately, it appears that the rules of the FIGC, whilst protecting youth development within Italy, fail to do so in the wider EU market.

6. Feet-Drain between Italy and the UK: An analysis of youth player movements

Since the summer of 1997, when Gennaro Gattuso and Cosimo Sarli left Perugia A.C. and Torino F.C. to join Glasgow Rangers and Southampton respectively, a total of 47 Italian youngsters have moved abroad; 33 have moved to England; seven to Scotland and seven to Switzerland. In contrast, a total of seven youth players have emigrated from Spain, all to English football clubs. These youth players have been developed at 21 different Italian football clubs: Inter, Fiorentina and Lazio (6 players), Roma and Atalanta (5 players),

Parma, Viterbese and Perugia (2 players), Cagliari, Reggina, Lucchese Fiorentina, Bologna, Messina, Torino, Cesena, Rieti, Seregno, Monteruscello, Ternana and Crotone (1 player). These players have been signed by seventeen English clubs, three Scottish clubs and two Swiss clubs¹⁰. Collectively, Chelsea and Arsenal have signed 33% of youth players that have moved to England, with Chelsea was the most popular destination. The Stamford Bridge club signed a total of 7 youth players from Italy, amounting to a total of 21% of the Italian youngsters that moved to England. Celtic, Southampton, Arsenal and Fulham followed with 3 signings each. Out of the 40 players that left Italy to move to the UK over the last 10 years, only seven managed to debut with their respective first team. They were Gattuso, Maresca, Dalla Bona, Morini, Riccio, Lupoli and Rossi. Amongst them only 3 could be considered as regular players - Gattuso (Rangers), Maresca (West Bromwich Albion) and Dalla Bona (Chelsea). A total of 30 out of the 40 players that left Italy to move to the UK have since returned.

While between 2004 and 2008, only 2 youth players left their Italian teams to sign for English clubs, since 2008 the 'feet drain' phenomena has started again. A total of 10 players have left Italy for England in the last two seasons and are still in the youth academies of their Premier League clubs. One of the main explanations for this is that most of the biggest clubs in the UK have built and developed an important scouting network worldwide. In doing so, they wish to attract football talent at an early age and fulfil UEFA rules in terms of the home-grown players quota, particularly given that as of 2008 clubs have to have eight players in their first team squad registered as home-grown players. A home-grown player is one that is developed within the youth academy of the same club or one that has been developed in another academy within the same nation who has played at least 3 seasons between the age of 15 and 21. Some players are considered as home-grown players despite a different nationality to the league in which they play. For example,

¹⁰ These clubs include Chelsea; Southampton; Arsenal; Fulham; Manchester United; West Bromwich Albion; Charlton; Portsmouth; Derby County; Newcastle United; Manchester City; Celtic; Livingston; Glasgow Rangers; Bellinzona; Chiasso.

Lionel Messi at Barcelona and Cesc Fabregas at Arsenal are two such players, who due to their development in the youth academies at Barcelona and Arsenal respectively, are considered home-grown players within the Spanish and English leagues, despite being Argentinean and Spanish in nationality.

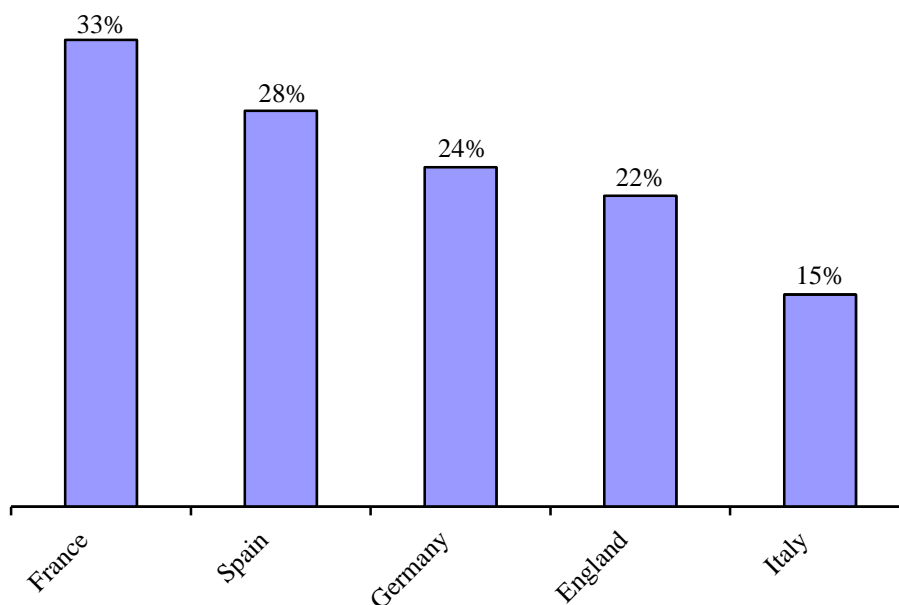
6.1. *Reasons for moving abroad*

The previous section illustrated that the rules of the FIGC offer little protection for clubs when foreign football clubs offer youth players' attractive contracts. However, there is also another important aspect to consider. The age of 16 represents a key moment for a youth player because it is the first step in their football career. It is the age where, if the player is good enough, they will consider their future options and in the majority of cases, sign to an agent. However, it is also the age where only a very small minority of youth players who play in the academy teams actually make it to professional level, with an even smaller minority able to achieve football stardom. FIGC research has detailed the player career path of the players in the five years following their exit from the youth academy. In recent years, following the Bosman ruling and the exponential number of foreign players, young professional players licensed by Serie A and Serie B academies have increasingly struggled to find employment in the professional football leagues in Italy. In 1996-97 - the first season after Bosman - almost 60% of youth academy players immediately failed to secure a professional contract. Some major federal action, such as the obligation for Serie C clubs from 1997-98 season to use young players, however, provided a cushion for many youth players that were unable to secure contracts at clubs in Serie A and Serie B after leaving youth academies.

Graph 10 reveals that in the 2006-2007 season the percentage of home-grown players in the squads of Serie A clubs was below that of the other top European leagues. In France, Ligue 1 clubs had an average of 6.9 players from their youth systems, while La Liga, the English Premier League and the Bundesliga had respectively 6, 5.3 and 5. Italy had only 3.7 players. Two

years before, Italian clubs had an average of just 3 players in their roster from their youth academy system, compared to 8.9 for French clubs. One of the possible reasons for this slight upward movement in Italy is because of UEFA parameters that have to be fulfilled by the Serie A (and European) teams.

Graph 10: Percentage of home-grown players in the squads of the top five European leagues, 2006-07.



Source: http://ec.europa.eu/sport/library/doc486_en.htm

Another interesting finding reveals that Italian clubs are at the bottom of the table amongst the 5 major European leagues in regard to the number of minutes played per game by players under the age of 22 years of age. During season 2006-2007, players under the age of 22 played 32 minutes per game in the top flight in Spain, 24 in England, 23.5 in France, 19 in Germany and just 13 in Italy. In Spain a young player can therefore expect to play almost 2.5 times more minutes than in Italy. Nevertheless, during the same season there were more young debutants in Italy than in Spain (91 to 75). This suggests that in Serie A there's little patience and it's easier to disregard a player, and that the quality of La Liga youngsters is apparently better than in Serie A. This could be explained by the fact that Spanish clubs have second teams that play in Secunda Liga, although these teams are unable to achieve

promotion to La Liga. Young players are therefore able to get experience and develop within a professional league compared to the Campionato Primavera in Italy - the championship for reserve teams from Serie A and B in which many young players play.

Research undertaken by the Italian Federation indicates that out of the top 25 European clubs to use players from their own academies in 2006-07, there are only two Italian teams - Empoli and Roma. This is in contrast to six Spanish clubs, six English clubs, and seven clubs from France. It is clear then, that there may be limited opportunities for Italian youth players to develop their careers within Italy – this leads some to consider moving abroad. The usual scenario that leads to the transfer abroad is that a foreign team shows an interest in the player, and an offer is made. The youngster goes back to his club which has to then make a quick decision on whether to offer a contract or to let the player leave. In many cases the Italian club is not keen to invest money and offer a professional contract to a 16 year old player, unless they are convinced that this player will go on to make the first team squad. As such, it can be argued that the concern expressed by many Italian clubs that their youth players are supposedly stolen at a young age is not really justified if they are not prepared to offer the player a professional contract.

6.2. The players' perspective

Drawing on interview data with the youth players that had left Italy to play abroad, the majority indicated that they were initially motivated by three key reasons:

- i) The possibility of a new life experience abroad, learning English and testing themselves with a different challenge in a new environment;
- ii) The chance of joining a first team earlier than in Italy;
- iii) The possibility of earning a good wage as soon as possible.

The overall experience had been positive and that if they had the opportunity again they would have done the same. When talking about their experience abroad, all the players interviewed mentioned that mental strength was a key factor. It was difficult to leave Italy in terms of friends, families, habits, language and other aspects of their daily life and to adapt to a new environment. Besides their talent, these aspects might provide an explanation for the fact that many Italian youth players that moved to the UK failed to succeed. Having interviewed those players, with many now playing for minor or amateur league clubs in Italy, it was interesting to hear them describing their experience abroad in positive terms. Although they remarked that it wasn't easy to begin with, they would recommend the experience to other youth players although highlighted a number of key aspects that were important:

- i) Young players need to be strong mentally rather than physically;
- ii) Young players have to be prepared to change their habits radically and to be flexible and open minded;
- iii) Young players have to meet the right people both on, and off the pitch;
- iv) Money should not be the critical issue in the decision to leave but the chance of training with the first team is more important.

6.3. The Spanish Case

The Spanish diaspora is completely different from the Italian one. Only 7 Spaniards have left for England since Cesc Fabregas was recruited by Arsenal in September 2003. Since then, Gerard Pique went to Manchester United in July 2004 and Fran Merida joined Arsenal in September 2005. This season has seen the departure of Pacheco to Liverpool and the two Athletic Bilbao youngsters to Tottenham and Chelsea. All of them were transferred to large Premier League clubs (Arsenal, Liverpool, Manchester United, Chelsea and Tottenham), while the Italian youngsters went to a range of clubs in the UK. The 'cantera' of Barcelona is the most sought with 4 players out of 7 now in England; 2 others came from Athletic Bilbao and 1 from Espanyol. The city of Barcelona has therefore provided 5 young players overall. While only 7 out

of 40 Italian players managed to debut with the first team, 3 of out 7 Spaniards have already played an official game with their respective first teams. Fabregas is an Arsenal star, Pique did well during his season long loan at Zaragoza, and after a season in Manchester United, Barcelona bought him back. Merida, after his Arsenal's debut, was sent on loan to Real Sociedad in the Spanish Segunda Liga. It appears therefore that the few Spanish players that have moved to England at a young age are more able to adapt to English football than the Italians.

6.4. The Swiss Case

Since 2002 there have been 7 players that have moved from Italian teams to join Bellinzona and Chiasso in the Swiss second division. After a relative brief experience of Swiss football, 5 players moved back to Italy. These moves are not within the European Union, so therefore acrimonious transfers are more common. In this scenario players are free to leave, but not according to the Italian clubs, who protest loudly and often lose their case. In transfers to clubs such as Bellinzona and Chiasso, there are not romantic aspects such as learning a new language or living an experience abroad. It is more about using Swiss football as a vehicle to promote a player, with a view to rejoining another Italian club in the short-term at a lower price. In other words, players are 'parked' for a short-term period in clubs such as Bellinzona or Chiasso; these two teams are linked with Italian football by language and geographical affinity. The first controversial case was Raffaele De Martino, a former Roma youth academy player. Since then others have followed and most of them have signed for Udinese after their spell in Swiss football. The last two transfer cases were those of Pacilli, from Ternana to Chaisso, and Vallone, from Crotone to Chiasso, when they were almost 20 years old.

7. Conclusion

On 30 April 2009, following the Lega Calcio Board meeting, the decision was taken to separate Serie A and Serie B. Italian football is clearly following a similar path to England following the creation of English Premier League and

the separation from the Football League. This will lead to a radical transformation of Italian football. It is possible to argue that there will be an even greater divide between the richer football clubs and the poorer clubs. It is not clear how this revolution is going to affect the revenue distribution in the football pyramid and how the new system will be similar to the English one.

Nevertheless, it is possible to argue that this revolution could have a positive effect on the youth academy system in Italy. While the new Italian Premier League will face a key challenge to regain its credibility, and although the distribution of TV rights revenue and stadia renovations will be key necessary reforms, there might be an opportunity for youth development to play a more active and prominent role through the introduction of regulations that change the way youth academies are financed, and through the Italian football federation implementing a new youth development programme. While it can be argued that the Italian youth development system does not need any radical transformation given the continuous flow of youth talent and the good performance of the national teams, what is needed is an increased level of investment in clubs' youth academies that leads to structural and permanent changes. These changes need to put the development of youth talent as the primary strategy for football clubs instead of the reliance on the transfer market to improve on-pitch performance of Italian football clubs.

These changes need to consider the impact of international and national legislation. At Italian as well as international level, there is a need to look at the regulations that are intended to protect the development of youth players by professional clubs. At domestic level, the reasons for this are primarily to reward the investments made by clubs in developing their young footballers in order to ensure that Italian academies produce quality players and that Italian football remains competitive worldwide. Internationally, the protection of minors and the fight against their exploitation and trafficking within the world of sport has become an issue of paramount importance, on which FIFA is working closely with the European Commission, and exemplified by the White Paper on Sport of 2007. Furthermore, FIFA rules pursue the objective of contractual stability through the provision of the solidarity contribution and

also foresee rewards for the training clubs of a nature similar to those provided at national level. The pursuit of certain objectives can justify the adoption of sporting regulations that would otherwise clash with internal market principles when this is functional to 'the good of the game'. In other words, exceptions to EU law principles can be accepted based on the specificity of sport; this could be used to justify regulations protecting the development of youth players.

With regards to the FIGC rules that currently pose significant limits to the contractual freedom of athletes and clubs in relation to young footballers, it appears disputable that they could be held acceptable in said terms. The main reason for this is that those rules create a distortion in the competition among top European clubs that on an international scale ends up producing effects contrary to the objectives that they pursue. In fact, it has been shown that the current Italian regulatory framework creates a fertile field for the phenomenon of 'feet drain' to foreign countries. Therefore, greater alignment between Italian domestic rules and FIFA rules appears desirable as it could prevent further cases of the 'feet drain' phenomenon as well as address inconsistencies with EU law.

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The 'DNC' Transfer System - a New Transfer System for the Football Industry

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Abstract

The aim of this paper is to propose a new transfer system – the 'DNC' system - for the football industry that is determined by players' talent allocation and their earnings' distribution. The proposed transfer system looks at promoting the development of players' talent and encouraging a high level of training quality deployed by football clubs and associations. Its main feature is to respect the freedom to work that every individual needs to be guaranteed. This implies the liberalization of transfer negotiations with the highest level of transparency. Moreover, a standardization of transfer regulations is necessary to ease the management of football clubs, associations and international governing bodies. This new system can have a positive impact on the current trend for labour market migration in the football industry. It can guarantee players the best possible allocation of their playing talent without facing restrictions by football clubs on their movement and also provide football clubs with the incentive to develop players without the risk of being deprived of their economic rights.

1. Introduction

There are many studies that have considered the possible effects of the Bosman ruling and UEFA and FIFA regulations on the transfer system in the professional football industry (e.g. Simmons, 1997). In particular, the issue that is often considered is concerned with the question of who benefits the most from the current system; the players or the clubs.

1.1. *The current system*

It can be argued that the current transfer system has restricted the bargaining power of football clubs in favour of professional football players. As Dilger (2005) argues, this may be correct as long as one considers a single interaction between one player and one or two clubs from a microeconomic perspective. From a club's perspective, a player's expected yields do not only have to cover costs in the form of the player's salary but also the payable transfer fee (Hubl and Swieter, 2002). If the player is a free agent, these payments can flow into player's salaries, so that the player can finally get a level of remuneration as high as his marginal value product.

The Bosman case in 1995 was a key factor in the shift in power over labour rights away from the clubs and authorities and towards the player. A number of key consequences emerged from the decision to allow free agency at the end of a contract. For example, clubs offered radically improved salaries not only to free-agent players but also to players under contract in an effort to stave off the Bosman effect and the possibility that a club could lose a player without transfer fee reimbursement. Steve McManaman's move from Liverpool to Real Madrid was an early example of the dangers of losing a player without receipt of a transfer fee. Long-term contracts therefore became the norm at the elite level and transfer fees rocketed on the transfer market (Greenfield and Osborn, 2001; Magee, 2002; Simmons, 1997). The concomitance of increasing revenues and the Bosman revolution on the transfer system has given players, especially the elite players, significant

bargaining power and control to significantly increase their earnings as well as increased flexibility to manage their career destination (Magee, 2002).

1.2. *Limits of the current transfer system*

Despite the increased bargaining power of the elite players, there are six key issues that can be raised in regard to the current transfer system. Each of these will be looked at in turn.

Player discrimination

At the beginning of season 2006/07 the 'home-grown player rule' came into practice for UEFA Cup competitions. This has meant that since then clubs that compete in UEFA competitions (the Champions League and the UEFA Cup) had to have four players out of a 25 player squad trained at the club or at another club in the home nation for at least three years between the age of 15 and 21. For season 2007/08 the number increased to six and for 2008/09 clubs had to have eight players out of the 25 man squad registered as home grown players.

Although it might be considered a positive rule from some perspectives, its implementation has raised an issue in regard to player discrimination which could restrict their ability to perform for their club or limit their ability to move to other European clubs. At first sight, according to the European Commission, this rule would be compatible with Community law. However, it is likely that someone could soon challenge this rule in front of the Court of Justice on the basis of the discriminatory nature of this measure. In fact this rule, though not directly discriminatory on the basis of nationality, could be argued to be indirectly discriminatory, which, although based on other criteria than the reference to nationality, leads to the same result.

Failure to reward the training of young players

It can sometimes be the case that young players that are under contract for four or five years, despite good performance leading to transfer offers, can often see the transfer blocked by their training clubs. While this may not lead to the player receiving increased financial compensation, it is almost always the case that they will receive a contract extension. However for the professional club, the best way to protect the investment made in youth players through the academy system is to ensure that there is an obligation to sign a professional contract with their training clubs. Then, the training clubs can let the player play and later get the compensation for the contract breach in a transfer negotiation. However the obligation to sign with the training club, an obligation that is not valid for international transfers, has rightly been called into question.

On 24 July 2008, the French Professional Football Clubs Union (UCPF) and the Professional Football Players Union (UNFP) agreed on new provisions, included in Article 261 of the local Collective Agreement, known as the “Chartre du Professional Football”, with regard to young players’ status and on the compensation for the respective training clubs. As from season 2008/09, upon expiration of the training period, players are obliged to sign a first professional employment contract with the training club. In cases where this obligation is not observed, the players will be subjected to a restriction and will be unable to sign with any other French club for a period of three sporting seasons.

Furthermore, a new form for the calculation of compensation due to the training clubs has been established in cases where there is a premature departure of a player to other French clubs during the training period. According to the new provision, the training compensation shall be calculated based on the following criteria: 1) a fixed compensation, similar to FIFA’s training compensation which is currently in place, to be determined in connection with certain criteria on a case by case basis, such as the age and the training period of player; 2) a variable compensation in line with the participation of the player in the national team or in the First League

competitions with the new club; and 3) valorisation compensation for the contract extension or for the player's transfer to another club.

However, this training compensation system creates three major problems. Firstly, it limits the career of players' under the age of 23 undoubtedly that are not yet ready to justify the payment for the training compensation shared amongst the clubs for which the player played between the age of 13 and 23. It follows that in defiance of the Bosman verdict there is clearly a restriction on the mobility of free-agent players, if clubs know that they have to pay a fee. As well, the FIFA ban on international transfers before the age of 18 limits the fundamental working freedoms.

Secondly, the return on investment on such players is delayed at the age of 23. The current training compensation has little to do with the real cost of youth training. The FIFA argument is that for every 10 to 16 youth players, only one player will make it to professional level. However, it is clear that, if all 10 or more players receive the same training and only one player makes it, it is the innate talent that makes the difference and this is not related with the training costs. With the right to terminate a contract at the end of the first three years granted under certain circumstances, for example an insufficient number of matches played, the transfer return on investments becomes hypothetical. The conclusion is that the current system might discourage quality training, while it favours spoiling youth players.

Third, it imposes high training compensation levels for players. It seems that there has been a change from paying transfer fees for all players to only paying fees for compensating youth training and fees for the breach of contract. As it could be expected after the Bosman rule, football federations have tried everything to introduce transfer fees by the back door.

Club management complication

Key labour management issues for professional football clubs include renewing players' contracts, recruiting players, and the relationship between

players and clubs. While the increase in player wages and transfer fee inflation has been attributed to some extent on the Bosman verdict, other factors might have contributed such as the short-term management focus by football club managers and owners. In the post-Bosman era, club managers have been inclined to bid up player salaries in their attempt to sign the best talent. Some clubs have also forced players to renew their contract before its expiration in order to prevent them leaving the club without any compensation. If players resist, many have found themselves relegated to train and play for the reserve teams. This threat is not as effective for the elite players because the club might not be able to afford the potential financial loss if the player was to leave as a free agent given the high transfer fees paid for the player. However, other players have been forced to leave their clubs and seek other clubs during their contract period after they have found themselves relegated to the reserve teams. However at clubs with financial difficulties, there is often little capacity to increase the average salary level, unless the club is willing to exacerbate the problems. However, the transfer system reform has affected the salary distribution and players are at least now paid in line with their value to their own team (Simmons, 1997).

Without the ability to realise the value of a player through the receipt of a transfer fee, football clubs do not have the opportunity to show the true value of their assets. Rectifying the value of the player as an asset is not possible during a football season. It can be argued that in all countries, and even the biggest in football terms such as England, Italy, Spain, Germany and France, the overall financial deficit of all professional football clubs is primarily related to the current transfer system. The courts have often questioned the validity and the applicability of the contradictory regulations of this system. For example, the compensation for the contract breach has posed a serious problem in football and has required the involvement of the courts. The Webster case is a prominent example. In fact, this compensation, which is generally paid by the new club to the previous one, is the settlement of a debt in respect to the player by the old club. This point is equally valid for training compensation.

Increased intermediary payments

Many football clubs across Europe have reported chronic financial losses though at the same time they have large and rising revenue levels. Players and managers are rightly and highly remunerated as they are the main actors in football. Moreover the current transfer system requires that the main football stakeholders spend a lot of money for necessary services such as law companies because of the need to understand legal issues around player transfers and to take into account different transfer regulations. Money is also spent on accountants and managerial and financial consultants because the increase in commercialisation and concurrent rise in revenues requires specialist expertise.

What is of more concern is that other stakeholders, less directly involved in football, are able to significantly affect revenue distribution in football. For example, players' agents or intermediaries are a significant stakeholder and a powerful ally to players in their capacity as professional negotiator. Consequently they are in a position to negotiate favourable positions for their clients during contract negotiations. Some agents also perform other duties such as financial management and sponsorship deals (Magee, 2002). As well as seeking to re-negotiate existing contracts or negotiating transfer deals for contracted players, free-agent players provide greater opportunities for agents to get involved in football negotiations. Arguably, agents have become the most important figure in the football industry over the last 15 years as their involvement has increased, fuelled by large commission fees available from negotiating contracts (Magee, 2002). While their economic rent represents a substantial loss for football, agents are essential in the transfer of players between clubs as they are able to offer protection for their players and are able to discuss terms with more than one interested club without contravening regulations. While a licensing system exists it is not particularly effective. For example agents work for both clubs and players, sometimes on the same transfer, despite regulations banning dual representation.

Increase in the number of legal disputes

In March 2001, a new international transfer agreement between FIFA, UEFA, and the EC was reached with the consent of all football stakeholders, six years after the Bosman verdict. However, it took almost four years to set the FIFA regulations regarding training compensation and the mechanism of solidarity. Nevertheless, there are still loopholes that explain Court of Arbitration for Sport (CAS) decisions and clubs' and players' litigations. A review of CAS cases in recent years reveals the growth in football-related international arbitration. These cases such as Heart of Midlothian vs. Andy Webster and Wigan Athletic involve high-value claims or are of real importance to sport globally. Dispute resolution in football is now a significant issue in international arbitration. In short, the situation can not improve but it can only deteriorate. The institutions, which have failed to change the rules, are victims of a conservative policy based on regulations which have no moral foundation and might lead to other legal litigation in relation to the specific rules of football.

Differentiated rules in each country

By definition FIFA allows each federation to manage its own national transfer market following its main principle guidelines. The international rules are indeed the result of the rules and laws made in each country. Overall, the current system follows a logic that is not linear but adds confusion. Indeed, every year there is a court decision in one of the most advanced countries that calls into question the rules of football federations.

2. The principle of the “DNC” system and its key features

The transfer of a player under contract requires the assessment of two conditions; the end of the player's contract (or the compensation for breach of contract) and the end of the player formation period (detection, training, promotion). At present these two conditions are amalgamated and undifferentiated in most players' transfers. The basic principle of the “DNC”

system is based on the principle of separating these two conditions so as to create a value for the player's formation period.

The "DNC" - the Right of Contract Negotiation - is the intangible value of a football player. Once a player signs his first training or professional contract, it creates his "DNC" value at the beginning of the player's career as a professional. If the contract occurs as part of a transfer the "DNC" value is equal to the residual value based on the remaining duration of the contract calculated on a period of 4 years. Otherwise, the "DNC" value is zero such as at the end of the player's career.

The five key features of the "DNC" system are as follows: the "DNC" is created with the first signed training or professional contract; signing a contract with a player does not lead to the "DNC" purchase; the "DNC" sale/purchase does not end the player's contract; the "DNC" is freely marketable and negotiable between the seller and the buyer at any time; the "DNC" is recorded on the club balance sheet according to its purchasing offers received by other clubs. Each of these is looked at in turn.

The "DNC" is created with the first signed training or professional contract

The "DNC" begins with the first contract and it is necessary to distinguish between professional and training contracts. If the player's contract is not preceded by one or more training years, then the "DNC" will become 100% owned by the first signing club. Otherwise, the "DNC" will relate to the training periods spent with the "DNC" club. Each federation determines what it means by training periods and training academies. However, there should be a number of standard requirements that should be met by every federation:

- Only authorized training academies benefit from generating "DNC" contracts
- The training period starts at the age of 10 and ends at the age of 21 (10 years since the last two years accounts for half);

- A training contract is renewable and lasts for a maximum of three years;
- During the training period players may change their training academy at any time. However, if this change is not based on a valid reason, the training academy keeps a proportion of the “DNC” gained;
- If the ownership of “DNC” is split by several holders, i.e. a player played for several associations and clubs responsible for his training, they each receive a percentage of the ”DNC” based on this ratio: NBA / NBT (where NBA equals the year(s) by club and NBT is the total years of training);
- The club which owns the largest percentage of the “DNC” is the depository of the “DNC” power. The rules relating to the “DNC” starts at the beginning of the contract;

There is always at least one “DNC” club and an employing club. The “DNC” clubs owns the holding rights over a player permanently. However, it can sell the player’s “DNC” to other clubs. A club that signs a contract with a player without owning the “DNC” on this player is called the Employing Club.

Signing a contract with a player does not lead to the “DNC” purchase

An Employing Club can deal with free-agent players but their “DNC” purchase is not compulsory: The Employing Club’s duties and rights are as follows:

- It can not oppose the possible departure of the player under contract;
- Without the agreement of the “DNC” club, it may not establish a loan or temporary transfer;
- It can break the player’s contract for just cause;
- It may not break the contract with the player without the permission of the “DNC” club;
- It has a purchasing option and must be informed by the association formally in the event that there are bids for the “DNC” purchase;
- It receives 10% of the transfer fee if the “DNC” sale happens while the player is under contract;

- In case of “DNC” successive sales as the player is under contract, 10% is not cumulative for the Employing club;
- Its rights over the player end when the contract expires.

The “DNC” sale/purchase does not end the player’s contract

The “DNC” purchase usually anticipates the player’s transfer in question with the “DNC” club. Provided that is not an obligation to end the player’s contract, this can be also seen as a speculative investment.

The “DNC” is freely marketable and negotiable between the seller and the buyer

This important feature would provide club managers the ability to recruit a player. Therefore, contract negotiation is possible during the transfer market windows which could help to minimise financial difficulties. It could also act as a monitor of club management and require them to pay their debts through the “DNC” sales supervised by the football association and the league in question.

The “DNC” is recorded on the club balance sheet according to its purchasing offers received by other clubs.

The starting point for the “DNC” is represented by the new international accounting standards issued by the IASB in force since January 2005. This new standard provides significant differences compared to traditional systems, especially as regards the possibility of accounting certain assets no longer on the basis of historical cost but on a fair value, i.e the current market value (IAS n.38). The fair value method requires the systematic assessment of scientific data and information which, together with subjective evaluations of the staff members working in the clubs, enable an assessment of potential future performance.

The “DNC” takes a value in both of the following cases; when a club acquires the “DNC” and when some bids to buy the “DNC” are declined. The club can rectify the “DNC” value up to the highest purchasing offer received or any amount less. The club pays for the taxes according to the rectified “DNC” value and has to guarantee the player’s career. Consequently, the asset is amortized linearly over a number of years depending on the player’s age. If new offers exceed the residual “DNC” value, the club may change the asset value registered on its balance sheet.

The registration of the transfer would pass through a registration chamber that is also responsible for registering the new “DNC” evaluation. This system will change the existing procedure, according to which the associations of the buying and the selling club are required to simply certify deals to FIFA by fax. The role of the registration chamber is to receive and transmit the purchasing offers and approves the transactions (“DNC” sales and purchase); to check the status of the purchasing offers, the regularity of agreement between clubs, and the evolution of players’ contract (indexing gains); to bank the fees from the transactions and makes the related payments. The registration chamber would also require the “DNC” sales for clubs in case of financial difficulties and oversee the “DNC” sales to clubs in financial crisis to ensure that the various creditors are paid.

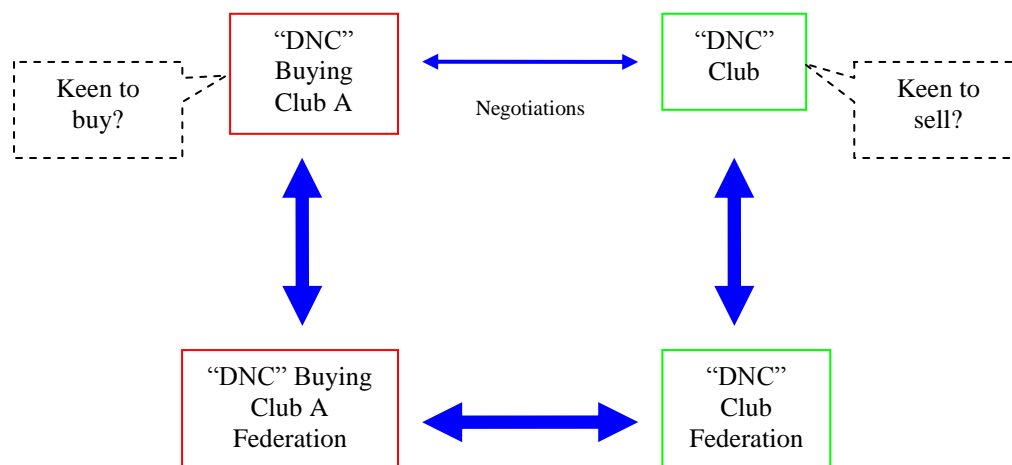
Crossing offers from the same clubs to increase artificially their respective assets are prohibited. On this point, it is noted that the current transfer system allows players’ crossing transfers with the same value recorded in the active part of the balance sheet. The value of the transfer offer lasts for fifteen days to allow the seller time to accept the offer. If the seller, who has declined an offer, has financial problems, the last offer lasts for one year at 50% of its value and the “DNC” can be assigned by the federation to the club having made the last offer.

3. Employing contracts and “DNC” negotiations

With the “DNC” system, there are two types of contract negotiations: those related to the employment of the player based on performance and those for the “DNC” sale or purchase. For these reasons, there are different scenarios that are possible in relation to the player’s status and whether they are a free agent or contracted to a club.

The first scenario is related to the “DNC” negotiation between the “DNC” club and the clubs that are aiming at buying the player (figure 1). In this case, the negotiation does not involve the employing contract directly.

Figure 1: DNC” Selling and Buying offers



If the “DNC” negotiations are successful:

- The “DNC” club accepts the offer and validates the sale through the federation;
- Club A will take ownership of the “DNC”;
- The “DNC” club could still be the employing club if the new “DNC” club (Club A) agrees.

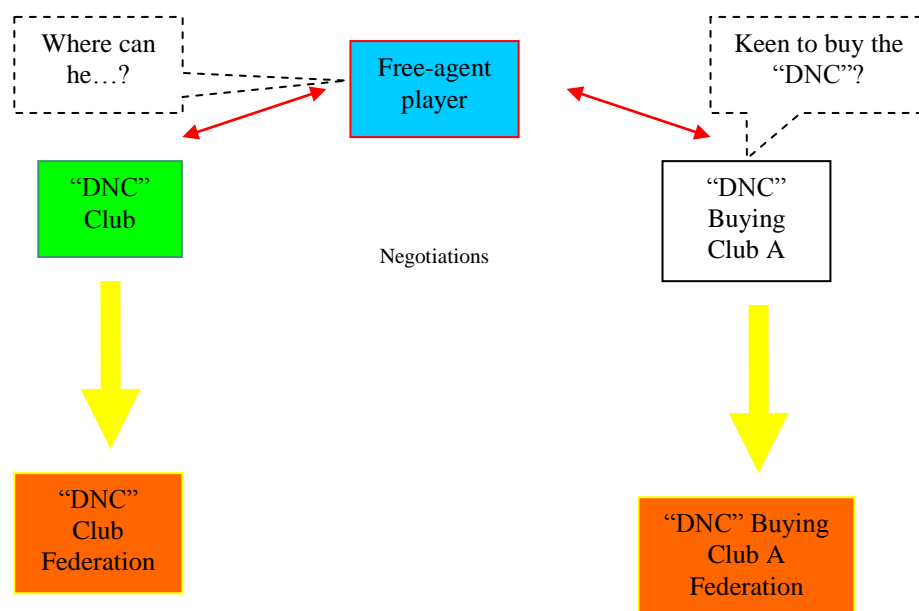
If the negotiation is not successful:

- The “DNC” club maintains the “DNC” ownership;
- The “DNC” club can record the declined offer on its balance sheet and rectifies the “DNC” value;
- The “DNC” club has to adjust the player’s wage following the amount of the declined offer.

In the second scenario, the player is a free-agent (figure 2). This means that the employing contract has expired but the player is still owned by the “DNC” club. In this situation:

- The player can freely negotiate with all interested clubs and sign a new employing contract;
- The “DNC” club has an advantage because it owns the “DNC”;
- If the new employing club wishes to buy the “DNC”, it has to find a buying agreement with the “DNC” club through a formal offer by the federation.

Figure 2: Free-agent player

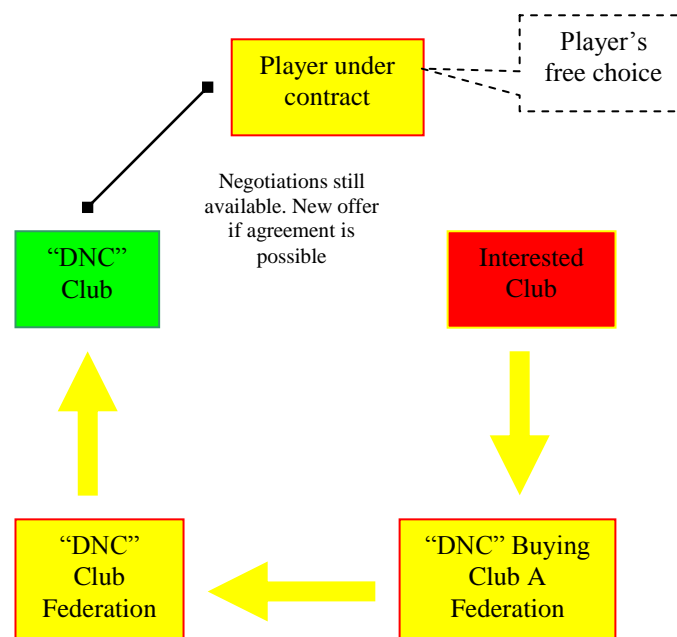


The third scenario represents a situation where the “DNC” club is also the employing club (figure 3). In this situation:

- the player can continue to play for the “DNC” club;
- the player can accept an offer to play with an Employing Club on loan with the agreement of the “DNC” club.

If the player is required by another club, this club can deal with the “DNC” club to either buy him or to get the player on loan from the employing club. In this case, it follows the procedure of the first scenario.

Figure 3: Player under contract with the “DNC” club



The fourth scenario exists when other clubs wish to buy a player’s “DNC” (figure 4). The “DNC” is always negotiable in every period (not subject to transfer windows):

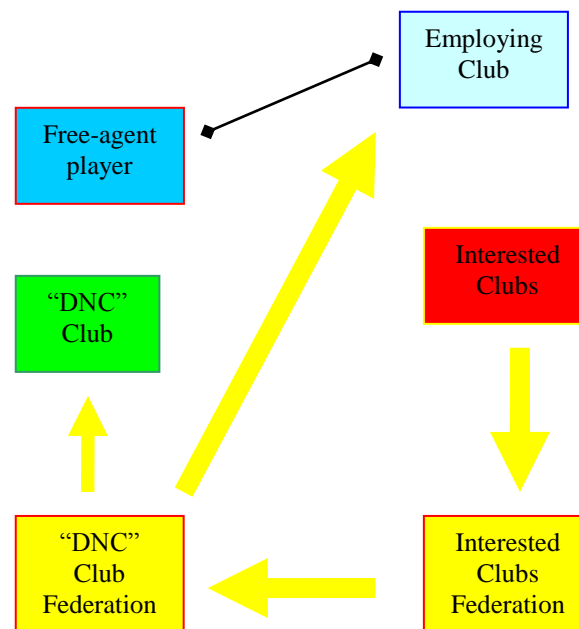
- The interested club can contact the “DNC” club and start negotiations by making an offer;
- The offer has to be made through the federation.

When the Employing Club does not hold the “DNC” and is not part of the negotiations:

- It cannot oppose the player’s departure until the next transfer and during the transfer market;
- It has received an offer from its federation. The club has the option over the player if it is able to equal the offer;
- In case of the player’s departure during the contract, it receives some rights over the player’s contract value and a percentage of the “DNC”.

The contract between the player and the employing club is only broken with the “DNC” club’s permission. Nevertheless, the player can obviously return to his employing club in the case of free agency.

Figure 4: Player under contract with a club and others interested of purchasing the “DNC”



4. “DNC” objectives

There are six key objectives of the “DNC” transfer system. These are to promote a player’s career; to respect the freedom to work; to encourage the player’s talent formation and development; to increase the transparency of the transfer market; to facilitate club management; and to standardize transfer regulations.

Promoting players’ careers

The fact that the “DNC” club can rectify the players’ asset value promotes players’ careers. This is followed by a subsequent increase in player earnings. However, if the “DNC” value decreases, there should exist the possibility of limiting the players’ earnings following the changes in the market value of the player.

Respect the freedom to work

The “DNC” is optionally paid and each player - regardless of age – may deal with other clubs freely at the end of his training contract. There is therefore no international ban on transfers for 18 year-old players before the training protection period. Moreover, the country-specific rule that requires young players to sign with their training clubs is not valid.

Encouraging the player’s talent formation and development

Replacing the training compensation, the “DNC” system avoids three major issues including problems related to optional payments, an age limit for the return on investment, and a fixed fee unrelated to the player’s real value. This can only promote the training quality.

Increasing the transparency of the transfer market

In disassociating the “DNC” contract from the players’ employment contract, players’ agents are excluded from the “DNC” negotiations because the player’s agreement is not required. These negotiations only occur between a club that wishes to engage a player in the next transfer market window and the “DNC” club. Player agents bargaining power decreases by virtue of their exclusion from “DNC” transfers. The fact that player agents do not take part at these negotiations will greatly improve transparency.

Moreover, due to the registration chamber there is no possibility of club enrichment at the expense of others. The “DNC” impact can also have an impact on clubs’ managerial competence. The transfer operations require only two separate agreements made in different periods: negotiations for the “DNC” between the two clubs, and negotiations between the new club and the player for the contract. While a player can not transfer outside the transfer window, “DNC” negotiations should be possible at any point in time.

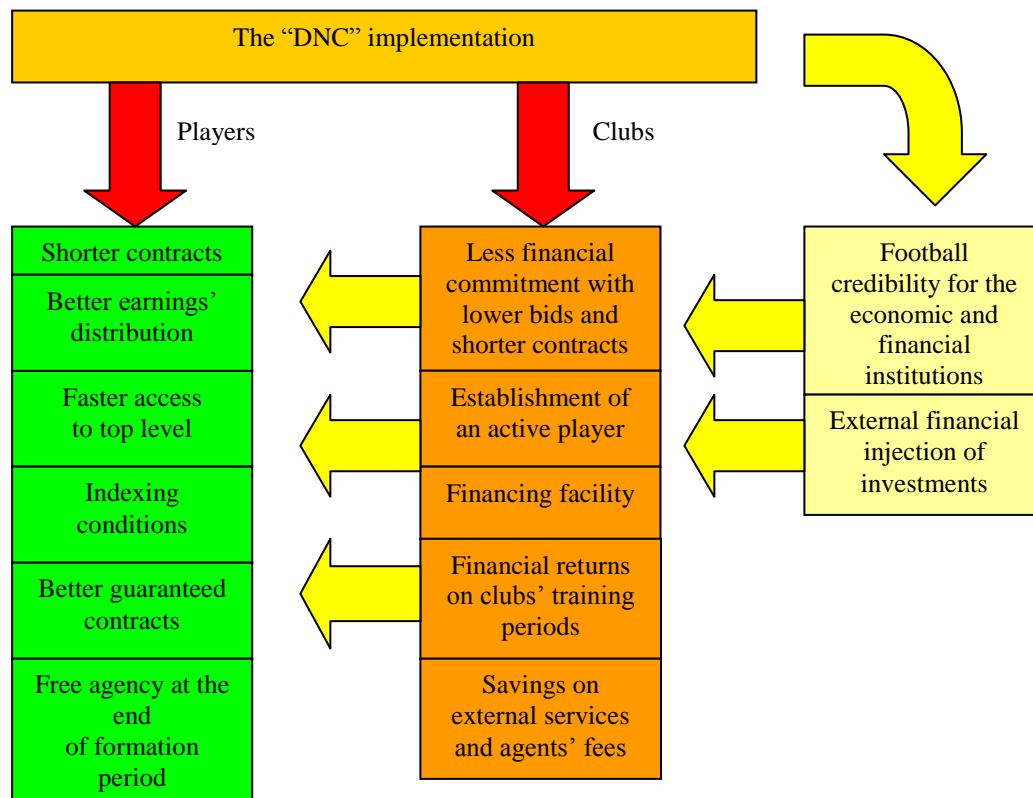
Facilitate club management

The “DNC” system and the new recruitment process will lead to an improved relationship between players and clubs. A player’s higher value enriches the club. Cash bonus payments are always possible - even imposed without detriment to the sporting ethic. The “DNC” club is no longer obliged to protect its investments through long contracts and, in doing so, makes major savings on the contracts of under performing players. Moreover, the “DNC” club, depending on the purchasing bids, might get indexing gains.

Standardize transfer regulations

The “DNC” system is applicable globally. Therefore, it will lead to more ethical negotiations in many countries or federations where currently there is concern over adherence to FIFA or national association legislation. This system should affirm the governing bodies’ authority and will also result in reducing the number of disputes that FIFA or the CAS currently arbitrates.

Figure 5: Benefits of the adoption of the DNC system



5. Conclusion

In October 2007, FIFA introduced the International Transfer Matching System. It was introduced to make sure that football's authorities have more details available to them on each and every transfer, and also to increase the transparency of individual transactions, which will in turn improve the credibility and standing of the entire transfer system. At the same time, the system will also ensure that it is indeed a player who is being transferred and not merely a method being used to move money (money laundering). It will also make sure that all payments relating to transfers are only made from one club to another. The International Transfer Matching System's first phase of implementation began on 1 January 2008, with 20 countries selected to take part in a pilot project.

The introduction of this system illustrates that FIFA is aware of the need to regulate the international transfer system effectively. It is in this context that the “DNC” transfer system would be of value. The “DNC” system would improve promotion opportunities for football players’ but at the same time will not harm clubs’ investment in their academies. Although this might be a paradox, both aims can be pursued maximizing the interests of these two stakeholders. Discerning player’s contracts from transfer fee negotiation is a key element for this system because it increases the transparency and reduces the bargaining power of third parties such as agents. The fact that the player’s evaluation as an asset is based on the market offers received does not discourage clubs to invest in their academies. Indeed, the “DNC” system reduces the need to lengthen player contracts or threaten players that wish to leave the clubs on a free transfer. The role of federations, associations and international governing bodies is necessary to regulate this system and act as the controller of the negotiations and their respective payments. Moreover, this system requires that these stakeholders set up a worldwide standard that will lead to a reduction in levels of litigation in football.

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Ghanaian Football Labour Migration: Preliminary Observations

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Abstract

This paper presents a preliminary analysis of an ethnographic study undertaken in Ghana focusing on the role of the 'academy system' in facilitating the transit of athletic talent. Preliminary results identify four broad types of football academy that operate in Africa. The first are African academies, organised and run by African club sides or national federations. The second type are Afro-European academies, which typically take three forms: the first involves a European club setting up its own academy in Africa as a foreign outpost; the second involves a partnership between an existing African club or academy and a European team; and the third involves an arrangement whereby a European club takes a controlling interest in an African club and then either subsumes the club's existing youth structures or establishes new ones. The third broad type of academy can be classified as private, charitable or corporate sponsored academies, which operate with the support/sponsorship of the corporate sector or private individuals, usually former African players or philanthropists. The fourth type can be described as non-affiliated, improvised academies which are set up on an ad hoc basis and typically lack proper facilities and involve poorly qualified staff.

1. Introduction

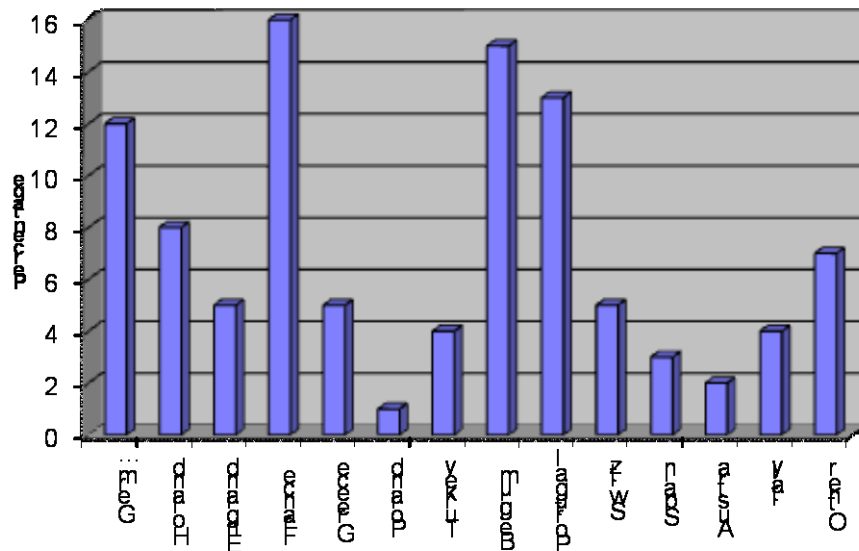
This paper is based on preliminary findings from a three year project funded by the Economic and Social Research Council (ESRC) which builds on and adds a unique dimension to an emerging corpus of social scientific analysis of the transnational and transcontinental migration of athletic talent (see for example: Arbena, 1994; Bale and Sang, 1996; Bale and Maguire, 1994; McGovern, 2002; Maguire, 2004; Bale, 2004; Poli, 2006). The existing scholarship has not only added to our knowledge of the international exchange and trade in athletic talent across a range of sports but has also informed our understanding of how globalisation plays out within the context of sport. This ESRC project continues in this vein but seeks to add a highly original dimension by adopting an empirically based, and, for the first time, comparative approach to sports labour migration across two professional sports (baseball and football) which analyses the role of the 'academy system' in facilitating the transit of athletic talent. The collaborative element of the project is being conducted with Alan Klein who is the authoritative academic voice on baseball academies in the Dominican Republic. Much of the field research on the transit of Ghanaian football talent to clubs and leagues outside the country is being undertaken by the author and this paper begins to sketch some of the early findings from the first period of ethnography conducted during January-February 2008. Before turning specifically to the academy 'system' that facilitates the export of Ghanaian talent it is instructive to account for the history and geography of African and more specifically, Ghanaian football labour migration and to highlight some of the supply and demand dynamics that contour this process.

2. History and Geography of African and Ghanaian Football Labour Migration

While the migration of African players to Europe has accelerated significantly since the early to mid 1990s, this process has a long history which extends back to the colonial era (Darby, 2000). In this period, those countries that had a significant imperial presence in Africa, particularly France and Portugal,

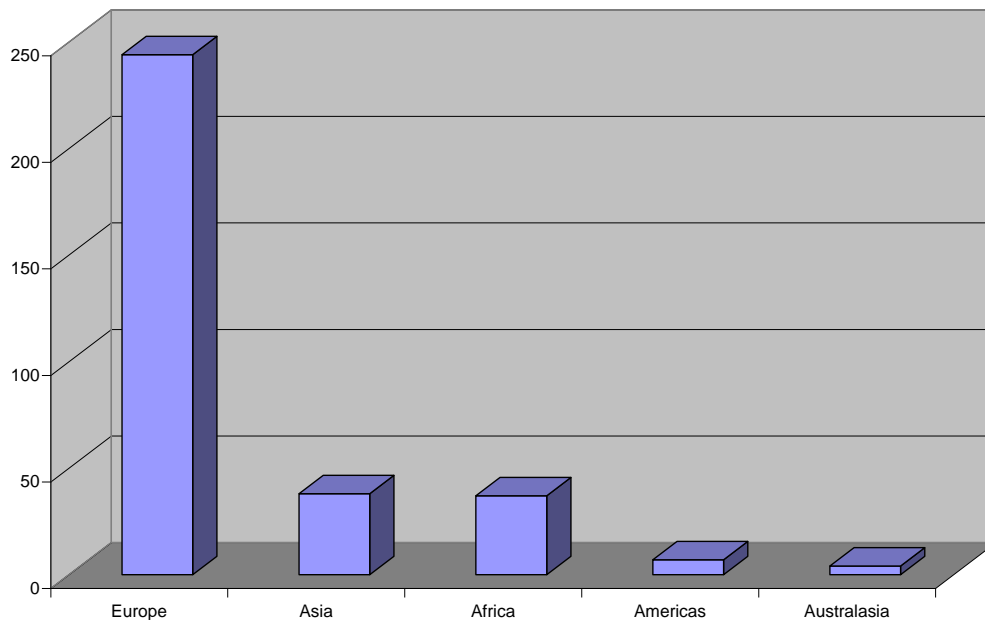
were the main beneficiaries of African football talent. Beyond the presence of Arthur Wharton in the English professional game in the late 1880s (Vasili, 1998), Ghanaians did not feature in these colonial migrant flows. The immediate post-colonial era up until the late 1980s saw a steady flow of African players, particularly to France and Belgium but Ghanaians continued to be largely absent from the European game. The numbers of Africans crossing European borders accelerated significantly in the 1990s and by the mid point of the decade there were an estimated 350 playing 1st or 2nd division football in Europe (Ricci, 2000). It was in this time period that Ghanaians including Tony Yeboah, Abedi Pele and Sammy Kuffour began to feature prominently in the European game. The Bosman ruling gave the African exodus a further kick-start and by the start of the new millennium the number of Africans plying their trade in Europe's 1st and 2nd Division leagues had reached 770, an increase of over 100% in just 5 years (ibid). Ghanaian players have increasingly comprised this latest wave of African migrants into the European game with Ghanaweb.com estimating that by the start of 2008 there were just over 300 Ghanaians playing outside their home country at levels ranging from professional elite to non-league/semi-professional. So how do we make sense of this migratory trend within the football industry? An appreciation of its geography certainly helps. It is clear that much of this geography of African player migration was and still is contoured by colonial and neo-colonial linkages as is revealed in figure 1. Here we can see that those countries that had a significant colonial presence in Africa continue to be amongst the main destinations of African football labour with Belgium, France and Portugal featuring prominently. However, running parallel to this neo-colonial pattern has been a much more diffuse and random movement of African players to a range of leagues throughout Europe and further afield. Ghana represents a clear example of this trend.

Figure 1: Destination of African Migrant Footballers (Season 1999/2000)



The continental breakdown of the destinations of Ghanaian players abroad reveals that while Europe is the primary destination, Ghanaians can be found playing in leagues all over the globe, as figure 2 reveals:

Figure 2: Destination of Ghanaian Football Migrants



The explanation of this diffuse pattern of migration that emerged from the first phase of the fieldwork is quite simply that Ghanaian players will leave their

homes for virtually any opportunity that allows them to increase their earning power.

3. Supply and Demand Dynamics

In terms of furthering our understanding of this process, it is useful to move beyond geography and consider the supply and demand dynamics that have underpinned more recent patterns of African and Ghanaian football labour migration. The key development in creating the global demand for African footballers has undoubtedly been the steadily improving performances of African teams on the world stage. Excellent performances by African teams at the U-17 World Cup, in particular, have been key in this regard. Ghana featured prominently at this tournament during the 1990s, winning it on two occasions and contesting two other finals. This clearly did much to bring Ghanaian football under the radar of European clubs and create the demand element of the trade. But what about 'supply'? Quite clearly, economic disparities between European and African football have been the key 'push' and 'pull' influences. Put simply, the wealth of the European game vis-à-vis the fragile economic state of the game in Africa, especially in West Africa, means that European clubs can offer players the sorts of opportunities that just do not exist at home.

The example of Ghana is very instructive here. Although professionalism has been in existence in Ghanaian football since 1993, the average salary of players in the Premier League today remain low, ranging from \$100-\$300 with opportunities for win bonuses. While the country's two biggest and most successful clubs, Accra Hearts of Oak and Asante Kotoko can afford to pay higher salaries, win bonuses and signing fees to players, the majority of Ghanaian players in the Premier League receive meagre rewards for their efforts. The struggling economics of the game in Ghana also means that facilities are generally poor with most clubs training on sand based pitches. Beyond economics, Ghanaian football functions in an unstable climate in terms of the governance of the game. For example, the start of this year's Premier League campaign was suspended for 3 months pending the outcome

of a match fixing scandal involving a club owned by Abedi Pele which won a promotion play-off last season by the unlikely score of 31-0. These sorts of events, combined with poor salaries and working conditions do little to encourage young Ghanaian footballers to see a future in the local game.

Despite these realities, leading figures in the game view the trade in players as exploitative at both the personal and systemic level. Sepp Blatter, the FIFA President, has been particularly vociferous in recent years. For example, in an interview in the Financial Times in December 2003, he described European clubs who recruit African players as 'neo-colonialists who don't give a damn about heritage and culture, but engage in social and economic rape by robbing the developing world of its best players'. He went on to describe their recruitment of young Africans as 'unhealthy if not despicable' (cited in Bradley, 2003). What Blatter was referring to as despicable and unhealthy was what came to be viewed as a problem of child trafficking. Concerns over this issue were first expressed in the early 1990s when it became clear that African minors as young as 14/15 were being brought to Europe by agents and scouts on temporary visas only to be abandoned and left to fend for themselves as illegal immigrants if unsuccessful. The depth of concern over this element of the trade was perhaps best exemplified through the involvement of a UN Commission on Human Rights which published a report in 1999, that concluded by referring to the 'danger of effectively creating a modern day 'slave trade' in young African footballers' (cited in Bale, 2004: 240).

The transfer of young players from Ghana during the 1990s reveals examples of the sorts of problems that the UN report was referring to. For example, following Ghana's victory at the Under-17 World Cup in 1991, the role of an Italian agent, Domenico Ricci, in the transfer of 3 members of the squad (Kuffour, Emmanuel Duah and Mohammed Cargo) to Torino, led Antonio Matarrese, then President of the Italian Football Federation, to suggest 'It would be a shame for Italy to give away kids to speculators. We must not plunder in Africa' (cited in Mahjoub, 1997: 133). Another member of the same squad, Nii Lamptey, had at this stage, already signed for Anderlecht in

Belgium as a 16 year old and he was a victim of the sort of exploitation that ultimately left his immense promise unfulfilled. Some years after signing for Anderlecht, Lamptey discovered that his inability to read or write had been ruthlessly exploited by his agent, an Italian called Antonio Caliendo (interview with author, Accra, 11 February 2008). Lamptey's version of his experiences in European football was confirmed by Otto Pfister, coach of Cameroon but then manager of the Ghana U-17 team, who commented that Lamptey had essentially been treated like a piece of meat by his agent (interview with author, Accra, 9 February 2008). These sorts of practices were not isolated incidents and continued throughout the 1990s. Indeed, a major inquiry in 1999 into 150 overseas transfers revealed clear examples of player exploitation and financial corruption involving a former Chairman and vice chairman of the GFA as well as a number of local club chairmen and agents, including, unsurprisingly, Domenico Ricci. The result of the inquiry was a series of recommendations aimed at tightening up on the transit of young Ghanaian players to leagues overseas.

By the start of the new millennium FIFA also decided to intervene in what it saw as the exploitation of minors in the international transfer market, and in September 2001 they introduced a set of transfer regulations that effectively prevented clubs from signing players under the age of 18. While there are some exemptions, this legislation has certainly curbed the most exploitative practices of talent speculators as well as the maltreatment of minors. This is not to say that the trade in African football talent has slowed, quite the opposite in fact. Central to this has been an increase in the number of football academies appearing throughout the continent, but particularly in West Africa. The remainder of this article details the role of football academies in facilitating the exodus of football labour from Ghana and exploring some of the implications of this.

4. Football Academies

In light of some of the negative discourse surrounding the trade in African football labour (see for example, McDougall, 2008), the notion of the African

'football academy', tends to conjure some unfavourable images. There is a tendency amongst western journalists to conceive of and write about football academies as nothing more than plantations or holding centres where Europeans or local businessmen ruthlessly exploit the aspirations of young African boys. Whilst elements of the early stages of my ethnographic research in Ghana resonated to a degree with this depiction, it is too simplistic to view *all* academies in these terms. Indeed, in order to properly understand the role of football academies in Africa and get a sense of how they impact on the African game and African society, it is necessary to recognise the differences and nuances within the academy system there. To this end, I draw on a typology developed in some earlier collaborative work (Darby, Akindes and Kirwin, 2007) which suggests that there are four broad types of football academy that operate in Africa. The first are African academies, organised and run by African club sides or national federations, which operate in a manner similar to those that exist in, for example, Europe. The second are Afro-European academies, which typically take three forms: the first involves a European club setting up its own academy in Africa as a foreign outpost; the second involves a partnership between an existing African club or academy and a European team and the third involves an arrangement whereby a European club takes a controlling interest in an African club and then either subsumes the club's existing youth structures or establishes new ones. The next broad category can be classified as private, charitable or corporate sponsored academies, which operate with the support/sponsorship of the corporate sector or private individuals, usually former African players or philanthropists. The final type can be described as non-affiliated, improvised academies which are set up on an ad hoc basis and typically lack proper facilities and involve poorly qualified staff.

Examples of each of these types of academy can be found in Ghana. In terms of the first category, that is the African Academy, a number of Ghana's leading club sides have youth academies that aim to produce players for the senior side. An interesting illustrative example of this type of academy is that run by Liberty Professionals, a Premier League club that was founded in 1996. Liberty's Academy has an extensive scouting operation that targets

players in the under-14 and under-17 brackets. While it recruits primarily from within Ghana, its operations extend beyond the country. Indeed, Liberty have recently established a youth academy in Togo aimed at recruiting French speaking west Africans and one in Kenya (interview with Alhaji Sly Tetteh, Accra, 26 January 2009). Since its formation 12 years ago the club has produced and sold players of the calibre of Michael Essien, Sulley Muntari, Asamoah Gyan and John Pantsil. This has not been a fluke. Indeed, the objectives of the club, as expressed by a youth coach at the club, are explicitly about locating, nurturing and refining young talent that can be sold on the European market (interview with George Lamptey, Accra, 11 February 2008). That said, although Liberty is largely a vehicle for the export of players, the club's President, Alhaji Sly Tetteh, also has aspirations to see the domestic game in Ghana develop. To this end, the club has recently bought some land to build a 20,000 seat stadium which is to be financed partially through the sale of players. It is hoped that this will provide the foundation for Liberty to compete regularly in the higher echelons of the Ghanaian game and ultimately the African Champions League (ibid).

In terms of Afro-European Academies, the Feyenoord Academy in Fetteh-Gomoa, a village about 70km outside the capital Accra is the most prominent in Ghana. It was launched in 1999 shortly after Feyenoord signed Bonaventure Kalou from the Ivorian club, ASEC Mimosas which had a strong reputation for producing young players through its own academy. Indeed, Feyenoord's Ghanaian set-up takes much of its inspiration from the ASEC model. It operates on a residential basis for children between the ages of 13-17 and provides a combination of football training and formal schooling. Their talent identification and recruitment programme is vast. They have a network of scouts that covers almost every town and city in the country, they organise regular tournaments and their reach extends beyond Ghana to other West African countries, particularly Cote D'Ivoire, Mali, Togo, Benin and Niger. The objectives of the Academy, as outlined by its Technical Director, Karel Brokken, are first and foremost about nurturing and extracting young talent for the parent club (interview with author, Fetteh Gomoa, 30 January 2008). The academy has had limited returns in this regard and to date only one graduate,

Mohammed Abubakari, has come through the ranks to play for Feyenoord. Beyond the football objectives of the Academy though, the club also profess a strong sense of social responsibility and a commitment to the local community and points to its educational provision, a partnership with UNICEF and involvement in fund raising activities for a range of social and health projects as evidence of this. Despite the limited returns from Feyenoord's investment into their Ghanaian academy, other European teams have recently been active in Ghana. For example, Ajax had an arrangement with the Premier League club Obuasi Goldfields, while the Austrian club FC Red Bull Salzburg opened a youth academy in 2008. So, it seems that these types of academies will increasingly form part of Ghana's football landscape.

In the third category, that is those operating with the support and sponsorship of private individuals, the most notable academy in Ghana is Right To Dream, established by Tom Vernon, an Englishman who also acts as Manchester United's chief scout in Africa. Vernon started his academy in 1999 following what he called a frustrating experience coaching two Ghanaian Premier League teams (interview with author, Dawu, 1 February 2008). Originally the focus of the academy was very much on youth football development but gradually the philosophy has changed and while football is still central to what the academy does, empowering underprivileged children to obtain a first class education and develop key life skills has become more central. Thus, while the academy has had success in footballing terms with two of its first generation of graduates currently signed for Fulham but on loan in Belgium, more of the academy boys leave Ghana on full educational scholarships to colleges in the UK and the US. In terms of how the Academy is funded and structured, Right to Dream is a registered charity and a not-for-profit organisation. It operates on a residential basis, catering for boys from all over the country between the ages of 12-18. Right to Dream is an exceptional model in a number of senses but perhaps none as compelling as the strong sense of social responsibility and concern for the boys that permeates virtually everything that it does. Its not-for-profit status and the fact that it is not linked to a particular club is key in this regard and ensures that it is not subject to the

same pressures of producing and selling talent that are felt in other sectors of the football industry in Ghana.

In the final category of academies in Ghana, there appear to be numerous improvised, non-licensed academies in operation across the country although their precise number is not clear. According to an article in the Observer in January 2008 there are as many as 500 of these academies in Accra alone (McDougall, 2008). However, most of those interviewed for the first phase of the fieldwork for the ESRC project suggested that this figure was inflated. What is clear is that these sorts of academies are comprised of a variety of arrangements that are underpinned by a desire to train young players to a level where they can be sold for a profit. Most owners of these, what are often rudimentary set-ups, are local businessmen or traders who are typically involved in running a local team in the youth or 'colts' leagues. They provide accommodation, food and sometimes school fees as well as boots and kit for young talented players in the belief that they will one day be able to recoup their investment and potentially make a profit by selling players to local senior teams or further afield. While some of these academies will be registered with the GFA, many are not and thus expose the boys to poor conditions and the possibility of exploitation.

In terms of bringing this paper to a close, it is useful to make a few tentative comments on the impact of football academies on Ghana and on football labour exporting nations in Africa more generally. Based on preliminary research, it is clear that football academies in Ghana facilitate both the development and underdevelopment of the African game and the extent to which this is the case is dependent largely on the location of an academy in the typology outlined above. Those academies that fall within the first three categories can be interpreted as contributing to the development of Ghanaian football and the local economy. In terms of football development, academies such as those run by Feyenoord and Tom Vernon clearly provide a systematic approach to youth player development. This improves the local game because while the most talented products of this system are invariably exported to Europe, the majority remain at home and play locally. It also

appears that the national teams at senior and youth levels benefit from those players who come through this sort of youth development system. One other way that academies or migration to European football more generally benefits the game in Ghana is through what is termed in the literature on labour migration as 'brain circulation'. This is essentially the process whereby highly skilled migrants return home and invest their foreign earned capital and expertise in the local economy. Thus, the return of players to play, coach or set up their own academies can be viewed in these terms.

Beyond the impact of academies on football it is also possible to view some academies as making a broader contribution to the development of Ghanaian society. Tom Vernon's academy for example tackles some of the key Millennium Development Goals for Africa because they address issues such as poverty alleviation, poor literacy and the prevention of diseases such as HIV/AIDS and malaria. One other positive feature of the trade is the payment of remittances by European-based professionals to support their extended family network. This re-investment of capital often extends beyond family circles and a number of migrant players have used part of their incomes in a range of philanthropic projects. For example, Stephen Appiah, the current captain of Ghana recently set up a charitable foundation aimed at improving basic healthcare throughout Ghana while Nii Lamptey established a school in 2005 that caters for the educational needs of around 400 children.

Of course, football academies in Ghana, with the exception of Right to Dream, are ultimately vehicles for talent extraction, a process that has the potential to underdevelop the local game. The majority of those interviewed for the first phase of this project including players, coaches, agents, supporters and journalists all agreed that the exodus of Africa's best players and the role that academies play in this regard ultimately deskills and impoverishes the domestic game. As highlighted earlier, Ghana's most talented players typically play outside the country and this has negatively impacted on standards of play. This has had a knock on effect on the economics of the domestic game because the player drain has made it much less attractive to local fans, most of whom watch the English Premiership on satellite television rather than

support their local team. As a consequence, attendances and gate receipts have tailed off, thus depriving local clubs of a vital source of revenue.

5. Conclusion

By way of a conclusion it is necessary to bring the discussion back to the theme of this collection and the conference on which it is based, which is whether what has been referred to as 'feet-drain' represents an opportunity for players and/or a loss for nations. Firstly, on the surface football academies appear to represent an opportunity for Africa's finest young footballers to fulfil their ambitions of a professional contract with a European club. The major caveat to this is that the odds of progressing to this stage are almost impossibly high. For every Didier Drogba or Michael Essien, there are literally thousands of others who have come through the academy system who fail to make the grade and when they are released, many face an uncertain future, not least because they may have neglected education or vocational training to pursue their dream of football stardom. In terms of whether the exodus of its most talented footballers represents an opportunity for African nations, the answer to this question depends on where football features in the priorities of the nation in question. Sport and particularly football has long been central to nation building and instilling senses of national pride throughout the African continent. In such circumstances, processes that are seen to improve the national team, such as the establishment of academies and the export of football talent to Europe, are viewed as opportunities. However, those who continue to view football as a form of healthy physical activity, an opportunity for local expression, a vehicle for local economic and cultural enrichment, continue to raise questions about the role of the academy system in West Africa. It is hoped that the completion of the ESRC project on which this article is based will uncover and clarify the precise contribution that the academy 'system' in Ghana makes to football there and society more generally.

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